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59TH CONGRESS, 2d Session. } SENATE. { DOCUMENT No. 135.

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

RELATIVE TO HIS RECENT VISIT TO THE ISLAND OF PORTO RICO,

TRANSMITTING

THE REPORT OF THE GOVERNOR OF PORTO RICO.

DECEMBER 11, 1906.—READ, REFERRED TO THE COMMITTEE ON THE PACIFIC ISLANDS AND PORTO RICO, AND ORDERED TO BE PRINTED WITH ILLUSTRATIONS.

WASHINGTON:
GOVERNMENT PRINTING OFFICE.
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MESSAGE OF THE PRESIDENT.

To the Senate and House of Representatives:

On November 21 I visited the island of Porto Rico, landing at Ponce, crossing by the old Spanish road by Cayey to San Juan, and returning next morning over the new American road from Arecibo to Ponce. The scenery was wonderfully beautiful, especially among the mountains of the interior, which constitute a veritable tropic Switzerland. I could not embark at San Juan, because the harbor has not been dredged out and can not receive an American battle ship. I do not think this fact creditable to us as a nation, and I earnestly hope that immediate provision will be made for dredging San Juan Harbor.

I doubt whether our people as a whole realize the beauty and fertility of Porto Rico and the progress that has been made under its admirable government. We have just cause for pride in the character of our representatives who have administered the tropic islands which came under our flag as a result of the war with Spain, and of no one of them is this more true than of Porto Rico. It would be impossible to wish a more faithful, a more efficient, and a more disinterested public service than that now being rendered in the island of Porto Rico by those in control of the insular government.

I stopped at a dozen towns, all told, and one of the notable features in every town was the gathering of the school children. The work that has been done in Porto Rico for education has been noteworthy. The main emphasis, as is eminently wise and proper, has been put upon primary education; but in addition to this there is a normal school, an agricultural school, three industrial, and three high schools. Every effort is being made to secure not only the benefits of elementary education to all the Porto Ricans of the next generation, but also, as far as means will permit, to train them so that the industrial, agricultural, and commercial opportunities of the island can be utilized to the best possible advantage. It was evident at a glance that the teachers, both Americans and native Porto Ricans, were devoted to their work, took the greatest pride in it, and were endeavoring to train their pupils, not only in mind, but in what counts for far more than mind in citizenship—that is. in character.

I was very much struck by the excellent character both of the insular police and of the Porto Rican regiment. They are both of them bodies that reflect credit upon the American administration of the island. The insular police are under the local Porto Rican government. The Porto Rican regiment of troops must be appropriated for by the Congress. I earnestly hope that this body will be kept permanent. There should certainly be troops in the island, and it is wise that these troops should be themselves native Porto Ricans. It would be from every standpoint a mistake not to perpetuate this regiment.

In traversing the island even the most cursory survey leaves the beholder struck with the evident rapid growth in the culture both of the sugar cane and tobacco. The fruit industry is also growing. Last year was the most prosperous year that the island has ever known, before or since the American occupation. The total of exports and imports of the island was forty-five millions of dollars, as against eighteen millions in 1901. This is the largest in the island's history. Prior to the American occupation the greatest trade for any one year was that of 1896, when it reached nearly twenty-three millions of dollars. Last year, therefore, there was double the trade that there was in the most prosperous year under the Spanish régime. There were 210,273 tons of sugar exported last year, of the value of $14,186,319, $3,555,163 of tobacco, and 28,290,322 pounds of coffee, of the value of $3,481,102. Unfortunately, what used to be Porto Rico's prime crop, coffee, has not shared this prosperity. It has never recovered from the disaster of the hurricane, and, moreover, the benefit of throwing open our market to it has not compensated for the loss inflicted by the closing of the markets to it abroad. I call your attention to the accompanying memorial on this subject of the board of trade of San Juan, and I earnestly hope that some measure will be taken for the benefit of the excellent and high-grade Porto Rican coffee.

In addition to delegations from the board of trade and chamber of commerce of San Juan, I also received delegations from the Porto Rican Federation of Labor and from the Coffee Growers' Association.

There is a matter to which I wish to call your special attention, and that is the desirability of conferring full American citizenship upon the people of Porto Rico. I most earnestly hope that this will be done. I can not see how any harm can possibly result from it, and it seems to me a matter of right and justice to the people of Porto Rico. They are loyal, they are glad to be under our flag, they are making rapid progress along the path of orderly liberty. Surely we should show our appreciation of them, our pride in what they have done, and our pleasure in extending recognition for what has thus been done by granting them full American citizenship.

Under the wise administration of the present governor and council, marked progress has been made in the difficult matter of granting to the people of the island the largest measure of self-government that can with safety be given at the present time. It would have been a very serious mistake to have gone any faster than we have already gone in this direction. The Porto Ricans have complete and absolute autonomy in all their municipal governments, the only power over them possessed by the insular government being that of removing corrupt or incompetent municipal officials. This power has never been exercised save on the clearest proof of corruption or of incompetence such as to jeopardize the interests of the people of the island; and under such circumstances it has been fearlessly used to the immense benefit of the people. It is not a power with which it would be safe, for the sake of the island itself, to dispense at present. The lower house is absolutely elective, while the upper house is appointive. This scheme is working well; no injustice of any kind results from it, and great benefit to the island, and it should certainly not be changed at this time. The machinery of the elections is administered entirely by the Porto Rican people themselves, the governor and council keeping only such supervision as is necessary in order to insure an orderly election. Any protest as to electoral frauds is settled in the courts. Here again it would not be safe to make any change in the present system. The elections this year were absolutely orderly, unaccompanied by any disturbance; and no protest has been made against the management of the elections, although three contests are threatened where the majorities were very small and error was claimed, the contests, of course, to be settled in the courts. In short, the governor and council are cooperating with all of the most enlightened and most patriotic of the people of Porto Rico in educating the citizens of the island in the principles of orderly liberty. They are providing a government based upon each citizen's self-respect and the mutual respect of all citizens; that is, based upon a rigid observance of the principles of justice and honesty. It has not been easy to instill into the minds of people unaccustomed to the exercise of freedom the two basic principles of our American system—the principle that the majority must rule and the principle that the minority has rights which must not be disregarded or trampled upon. Yet real progress has been made in having these principles accepted as elementary, as the foundations of successful self-government.

I transmit herewith the report of the governor of Porto Rico, sent to the President through the Secretary of State.

All the insular governments should be placed in one bureau, either in the Department of War or the Department of State. It is a mistake not so to arrange our handling of these islands at Wash-

ington as to be able to take advantage of the experience gained in one, when dealing with the problems that from time to time arise in another.

In conclusion let me express my admiration for the work done by the Congress when it enacted the law under which the island is now being administered. After seeing the island personally, and after five years' experience in connection with its administration, it is but fair to those who devised this law to say that it would be well-nigh impossible to have devised any other which in the actual working would have accomplished better results.

THEODORE ROOSEVELT.

THE WHITE HOUSE, *December 11, 1906.*

PETITIONS TO THE PRESIDENT.

To Hon. Theodore Roosevelt, President of the United States of America.

SIR: The undersigned committee of the Coffee Planters' Association of the District of Mayaguez, duly authorized to present to you this petition, have the honor to welcome you to the shores of this island and to express their hope that your visit may bring to them advantages of everlasting recollection.

Lights of liberty came to this country from the great and magnanimous nation by you represented in the way of wise and democratic laws; but all material betterment has been denied to the main product of this soil—to coffee—which is the principal source of our prosperity.

The causes of the great distress now affecting the coffee planters must be traced down to the time of the American occupation and the change of sovereignty, which unjustly deprived us of our old coffee markets without opening new ones similar to those then lost, the result being that our product has now to compete at a disadvantage with those of other countries in unknown markets where the monopoly caused by the trusts makes the fight almost impossible.

The free trade granted us did not in the least benefit our coffee industry, for it was also shipped to the ports of the Union free of duty prior to the American occupation. And in it were Italy, France Germany, and Cuba, our sister colony, and not the United States (the best market for our fine products), because in these countries our coffee, on account of the treaties entered into by Spain with them, did obtain very high prices.

The terrible hurricane which visited us in 1899 desolated a large number of our plantations; the exchange of "provincial" money for American currency, which greatly diminished our wealth; the just raise of salary claimed by and awarded to the laboring class, and the old debts previously contracted by our farmers on reliance of the prosperity generally enjoyed, have resulted in the present ruinous condition of the coffee industry to such an extent that it will wholly destroy it unless the American people, through their Congress, provide for the remedy so badly needed in order that such state of affairs may cease.

Prior to the American occupation the low tariffs then in force allowed us to sell our product in the European markets, but to-day the Dingley tariff has done away with this advantage, causing a great injury to our general welfare.

Furthermore, the Republic of Cuba has derived a greater benefit than our own country, as it can export its coffee to the United States on the same conditions as Porto Rico's, and its sugar has been

granted a protection in spite of its being a foreign country, while Porto Rico, though a part of the United States, has been unable to secure any protection for its most famous and important product.

The advantages, sir, that Porto Rico has gained in the political field will be entirely useless unless it is able to obtain some relief for its financial distress, for man's struggle for good government is the natural result of his legitimate desire for the betterment of his economical condition.

This committee firmly believes, and with it those whose wishes it conveys to you, that the means to accomplish such good results are the following:

(*a*) A protective tariff for Porto Rico coffee, imposing an import duty of 5 cents upon each pound of foreign coffee brought into the United States and Porto Rico, and an import primage of 5 cents upon each pound of Porto Rico coffee shipped to the United States.

(*b*) The including of a protective clause for Porto Rico coffee in the import tariffs of Spain, Italy, Germany, France, and Cuba, allowing in just reciprocity that some of the products from those countries which are not generally raised or manufactured in American soil may come into the United States on the same favorable conditions; and in order to accomplish this end, the amendment of the commercial treaties now in force and the inserting of some provision in those newly entered into, between the United States and the countries above referred to.

Such are, honorable sir, the evils affecting our coffee industry, and such are the adequate remedies which we propose in order to relieve it from the imminent danger that menaces it. We heartily hope that, as a good friend of the Porto Rican people, you will plead before Congress for our welfare in the annual message which, in compliance with the constitutional provision thereon, you will send to that body at the opening of its coming session.

Respectfully submitted.

R. Gómez Cabot.
Salvador Amill Negroni.

SUPPLEMENTARY PROPOSITION.

If either of these two remedies can not be satisfactorily applied, there is still, honorable sir, a third proposition of a similar nature, which is very effective and practical, namely:

(*c*) To impose a duty of 5 cents on each pound of high-grade coffee shipped into the United States from foreign countries.

This measure would only affect the interests of the rich consumers of the States, and would not prejudice the nation at large, because the wealthy class would as readily pay 25 cents as 20 cents, for a pound of good coffee. And being our coffee, as it is of the finest quality, it would certainly be protected by this measure.

Respectfully submitted.

R. Gómez.
Salvador Amill Negroni.

Hon. Theodore Roosevelt,
President of the United States of America.

To His Excellency Honorable Theodore Roosevelt,
President of the United States of America.

SIR: The terrible cyclone that swept over this island in 1899 destroyed the whole of our crops.

The main force of the hurricane bore on the mountainous part of the island where coffee is raised. Sugar, tobacco, and the minor products are planted from year to year, but coffee is produced in trees which require from five to six years to bear fruit.

The event which caused Porto Rico to pass into the folds of the American flag soon came to the rescue, giving free admission to our sugars, tobacco, and all other products, and our country is fairly prospering to-day under the benefits of free trade with the United States. Our coffees being of a superior quality, they are highly appreciated in the European markets, where they sold at a much higher price than all other coffees from America. But the fact that Porto Rico, like the rest of the United States, imposes to-day the Dingley tariff on all European products, has caused the nations of Europe to retaliate on Porto Rico coffees by imposing heavy duties on them so that the high prices paid for Porto Rican coffee does not benefit the country, but remain in the European treasuries, and in shipping them to the United States they have to compete with the lower grades of coffee imported there free of duty from nearly all the American countries.

Such a condition of affairs has had its natural effect; the plantations destroyed by the hurricane have not been rebuilt; many that survived the terrible havoc have been abandoned, and our coffee crop, which in 1896 brought $16,000,000 to the country, with nearly $10,000,000 profit, has been reduced to $6,000,000, with practically no profit at all for the planters.

We are improving our methods of cultivating coffee in order to produce it cheaper. Our resident commissioner at Washington has introduced a bill in the House of Representatives in order to obtain protection to our main staple. Our insular legislature has voted $12,500 every year to keep an agency in New York to advertise and make known the superiority of our coffee over all other American coffee in the market.

Your Excellency himself has given our work in this direction the greatest impulse that we could wish for by declaring our coffee to be of the best quality and ordering it to be exclusively used at the White House.

It is for this, as well as for the many other proofs of consideration and friendly feeling to Porto Rico, that we have decided to appear before you to-day, begging of you to help us in saving from total ruin Porto Rican coffee, which is our main staple—the one that more directly brings a loaf of bread to the home of the poor man in Porto Rico.

(Signed by many banking institutions, commercial organizations, business firms, and individuals engaged in business pursuits in Porto Rico.)

SIXTH ANNUAL REPORT

OF THE

GOVERNOR OF PORTO RICO.

GOVERNMENT HOUSE, PORTO RICO,
San Juan, July 1, 1906.

SIR: I have the honor to transmit herewith the sixth annual report of the governor of Porto Rico, covering the period from July 1, 1905, to June 30, 1906.

During the past year there has been an encouraging improvement in the economic condition of the country, attended by considerable activity in the building of railways and in the erection of new sugar centrals and tobacco factories. The production of sugar and tobacco increased greatly, and coffee, the principal export of the island during the Spanish régime, shows a slight advance. The addition to the wealth of the island and the greater per capita circulation are mainly due to these three crops, of which a more detailed description will be found in another portion of this report.

In administrative affairs there has also been an improvement. The session of the legislature during the winter of 1906 was productive of important results, and gave greater evidence of good will between the two houses than in any previous year. The work of the assembly at this session deserves the highest praise and demonstrates the encouraging progress that has been made during the past few years in this branch of governmental work. The most important laws passed will be dealt with more in detail in connection with the subjects to which they especially refer, and it will therefore be sufficient in this general review to mention them merely by name. The most important acts of the legislative assembly provide for the issuance of government bonds to the amount of $1,000,000, to extend the system of insular roads; for a more just and equitable method of conducting elections; for a simpler means of settling election contests; for the continuance and extension of the work inaugurated by the second legislative assembly to suppress uncinariasis, or tropical anæmia; for the creation of a commission to compile, codify, and revise the laws of Porto Rico; for a more liberal system of municipal government; and for the establishment of an additional court in the district of San Juan, with jurisdiction over civil cases. The members of the assembly, individually and collectively, labored faithfully and zealously to solve the problems presented to them for the best interests of the island. Their work will compare favorably with that of any State or Territorial legislature on the continent of the United States.

Interest is already shown in the elections which take place next November, and the summer promises to be an active one politically. The election law provides for the registration of prospective voters

on every Saturday during the months of May, June, July, and August. Thus far the registration days have been free from disorder of any kind, and the lists will undoubtedly be much more exact than ever before. In 1904 the number registered amounted to over 225,000, while approximately but 143,000 votes were cast. It is probable that the actual number of qualified voters in the island is in the neighborhood of 200,000. At the close of the election period two years ago prompt and vigorous prosecutions were instituted against those who violated the law, and although in several instances the juries showed a disposition to regard such crimes as of small importance, a large percentage of convictions was secured. Of the 141 prosecutions before the district courts of the island, convictions were had in 57 cases; the jury disagreed in 41 cases and acquitted 43 defendants. The sentences usually carried terms in jail, although in a few instances fines were imposed. A few days prior to the elections in 1904 I gave public warning that I should be most reluctant to grant pardons for crimes of this character. In view of this warning, I have granted no pardons in election cases, and I feel that this attitude of the government will result in inspiring a higher opinion of the sanctity of the ballot.

The legislature, in its session of 1905, extended the terms of municipal judges, secretaries, and marshals of district courts to four years, and the municipal law passed last winter provides that mayors, councilmen, and other elective municipal officers shall be elected for the term of four years instead of two years, as heretofore. At the present time, of all the elective officers of the island, only the resident commissioner to the United States and the members of the house of delegates are elected biennially. The terms of these officers are fixed by the organic act of April 12, 1900. It is, I believe, the universal desire of the people that elections be held every four years instead of every two, as at present. The elections involve a considerable expense to the island, and are productive of much undesirable excitement. For these reasons I renew the recommendation made in my report of last year, that the organic act be amended to extend the terms of office of members of the house of delegates to four years.

FINANCES.

The following condensed statement shows, in brief, the condition of the finances for the fiscal year 1905–6. A more detailed statement will be found in the auditor's report in the appendix marked "Exhibit D:"

Receipts and expenditures from July 1, 1905, to June 30, 1906.

RECEIPTS.

INSULAR REVENUES.

Custom receipts	$716,111.20	
Internal-revenue receipts	2,444,719.51	
Miscellaneous receipts from sundry sources	197,071.91	
Total insular revenues deposited	3,357,902.62	
Repayments	177,200.00	
Transfers to insular revenues from trust funds	10,099.41	
Total deposits and repayments of insular revenues		$3,545,202.03

TRUST FUNDS.

Trust funds deposited	$341,648.49	
Repayments to trust funds	15,976.65	
Total trust-fund deposits and repayments	357,625.14	
Transfers from insular revenues	14,987.53	
Total trust-fund deposits, repayments, and transfers		$372,612.67
Total deposits, transfers, and repayments from July 1, 1905, to June 30, 1906		3,917,814.70
Balance on hand at close of business June 30, 1905		758,231.35
Total receipts to be accounted for		4,676,046.05

EXPENDITURES.

AMOUNTS ADVANCED TO DISBURSING OFFICERS FROM INSULAR REVENUES.

Total amount advanced for legislative expenditures	$58,681.41
Total amount advanced for executive expenditures	2,091,928.36
Total amount advanced for judicial expenditures	302,946.47
Total amount advanced from insular revenues	2,453,556.24
Payment of sundry claims on settlements	1,088,237.27
Transfers from insular revenues to trust funds	14,987.53
Total amount paid from insular revenues	3,556,781.04

AMOUNTS ADVANCED TO DISBURSING OFFICERS FROM TRUST FUNDS.

Treasury Department	$1,846.67	
Department of the Interior	92,826.74	
Advanced to University of Porto Rico	17,588.74	
Department of education	64,433.36	
Department of health, charities, and correction	325.00	
Advance to municipality of Aguas Buenas	106.54	
Total amount advanced from trust funds	177,127.05	
Payment of sundry claims on settlements	308,056.81	
Transfers to insular revenues	15,774.74	
Total amount paid from trust funds		$500,958.60
Total expenditures, July 1, 1905, to June 30, 1906		4,057,739.64
Total receipts to be accounted for		4,676,046.05
Total expenditures		4,057,739.64
Balance on hand June 30, 1906		618,306.41

Made up as follows:

Insular revenues	405,215.18	
Trust funds	213,091.23	
		618,306.41

Decrease in balance of insular revenues:

Balance of insular revenues, June 30, 1905	416,794.19
Balance of insular revenues, June 30, 1906	405,215.18
Decrease in balance of insular revenues during the fiscal year 1905–6	11,579.01

Decrease in balance of trust funds:

Balance of trust funds, June 30, 1905	341,437.16
Balance of trust funds, June 30, 1906	213,091.23
Decrease in balance of trust funds during the fiscal year 1905–6	128,345.93

During the past fiscal year there has been a considerable increase both in the receipts and in the expenses of the government. The customs collections for the past year exceeded those for the preceding year by some $58,000, while the receipts from sundry sources are approximately $39,000 more than they were for the fiscal year 1904–5. The internal-revenue receipts show a loss of some $14,000. This is, however, entirely due to the abnormally large payments in June, 1905, by producers desiring to lay in a large stock of goods before the increased rate of taxes went into effect on July 1, of that year. The decrease of $11,579.01 in insular revenues shown in the above statement is more than offset by the increase in the amounts loaned municipalities and municipal school boards, as shown by the treasurer's report marked "Exhibit C." Taking into consideration these amounts, the actual assets of the insular treasury at the close of the fiscal year 1905–6 amounted to $528,022.48 as compared with $500,604.23 on June 30, 1905, an increase of $27,418.25. The increase in expenditures is due chiefly to the large amount appropriated for the extension of the department of health, charities, and correction, for the increase in the number of police, and for certain permanent improvements such as the construction of a jail at Arecibo, the enlargement of the penitentiary, and the completion of insular roads. There has been a decrease in the running expenses of the offices of the governor, the attorney-general, the treasurer, the auditor, and the commissioner of education. The judicial expenditures have decreased by $1,649, while under the head of legislative expenditures, there has been a decrease of some $50,000. This, however, is explained by the fact that in the fiscal year just closed but $5,000 was expended for election purposes, as compared with $53,000 in the prior year.

The figures quoted under the head of insular revenues for the past year, amounting to $3,355,902.62, do not correctly state the actual amount available for appropriation by the central government, inasmuch as the total property tax collected on the island is deposited under the head of internal-revenue receipts, and eighty-five one hundredths of this tax of 1 per cent is returned to the municipalities for their use. This amount, so refunded, aggregated during the fiscal year 1905–6, $823,097.66.

COMMERCE.

The following tables will be of interest, as showing the trade conditions during the past six years:

Exports to the United States.

	Fiscal year ended June 30—					
	1901.		1902.		1903.	
	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
Fruits and nuts	.....	$105,277	.....	$70,871	.....	$287,583
Hides.....pounds..	357,606	38,976	654,322	67,888	697,698	85,916
Molasses.....gallons..	1,231,654	254,155	1,613,915	322,636	2,773,914	376,757
Sugar.....[a] tons..	68,601	4,695,104	91,909	5,890,089	113,072	7,467,579
Leaf tobacco.....pounds..	556,932	121,011	665,889	112,289	770,224	135,080
Cigars.....M..	11,013	296,021	70,053	1,543,253	67,243	1,746,483
Straw hats	.....	38,197	.....	176,412	.....	40,198
Coffee.....pounds..	29,565	4,305	227,560	27,031	6,314,686	718,531
All other articles, including foreign merchandise	.....	28,242	.....	168,297	.....	192,068
Total	.....	5,581,288	.....	8,378,766	.....	11,051,195

[a] Commercial ton, 2,000 pounds.

Exports to the United States—Continued.

	Fiscal year ended June 30—					
	1904.		1905.		1906.	
	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
Fruits and nuts	.....	$426,979	.....	$250,847	.....	$496,694
Hides.....pounds..	330,388	41,244	668,659	82,640	817,156	112,665
Molasses.....gallons..	1,839,055	308,115	2,843,110	251,286	3,794,938	345,733
Sugar.....[a] tons..	129,616	8,688,951	135,660	11,925,575	205,272	14,184,319
Leaf tobacco.....pounds..	2,385,498	200,813	2,195,723	421,652	1,396,533	476,539
Cigars.....M..	59,185	1,454,784	87,569	2,146,846	113,223	3,009,576
Straw hats	.....	53,293	.....	89,155	.....	109,054
Coffee.....pounds..	2,415,559	279,461	1,519,149	201,642	203,455	27,069
All other articles, including foreign merchandise	.....	209,006	.....	263,502	.....	320,812
Total	.....	11,722,826	.....	15,633,145	.....	19,142,461

[a] Commercial ton, 2,000 pounds.

Annual average export to the United States for the five years ending June 30, 1898	$2,271,099
Total exports, 1898–99	3,093,830
Total exports, 1899–1900	2,991,416

Exports to foreign countries.

	Fiscal year ended June 30—					
	1901.		1902.		1903.	
	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
Cattle.....number..	12,829	$457,983	13,357	$354,065	11,273	$291,600
Horses.....do....	2,538	74,385	1,893	49,305	1,475	29,561
Mules.....do....	1,605	44,209	513	18,485	65	1,803
Coffee.....pounds..	12,127,675	1,674,460	26,678,839	3,168,631	28,892,453	3,252,043
Hides.....do....	332,116	42,566	104,762	13,656	20,324	2,926
Tallow.....do....	90,952	4,186	185,197	8,164	219,042	5,083
Spirits, distilled....gallons..	1,079	557	54,683	20,588	376	398
Molasses.....do....	1,616,660	341,747	1,466,217	256,461	1,504,565	288,243
Brown sugar.....pounds..	616,956	20,604	5,587	213	71,624	2,543
Leaf tobacco.....do....	4,433,305	254,516	1,387,084	100,479	1,481,403	68,529
Cigars.....M..	818	10,094	625	5,982	721	7,332
Cigarettes.....do....	1,243	1,869	427	1,818	282	584
Corn.....bushels..	6,110	2,986	8,449	4,756	552	416
Straw hats	.....	7,935	.....	755	.....	5,572
Wood, and manufactures of	.....	3,097	.....	375	.....	260
All other domestic articles	.....	26,611	.....	8,605	.....	604
All other foreign articles	.....	34,874	.....	42,852	.....	80,387
Total	.....	3,002,679	.....	4,055,190	.....	4,037,884

	Fiscal year ended June 30—					
	1904.		1905.		1906.	
	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
Cattle.....number..	13,110	$316,131	8,185	$206,655	7,161	$150,679
Horses.....do....	4,022	94,916	2,334	64,836	743	21,649
Mules.....do....	165	6,449	240	9,081	24	680
Coffee.....pounds..	31,914,413	3,623,796	15,330,590	1,939,367	28,086,867	3,454,033
Hides.....do....	114,906	14,023	29,305	3,556	23,468	3,474
Tallow.....do....	208,325	7,869	224,715	10,041	283,755	14,307
Spirits, distilled.....gallons..	1,032	964	790	731	298	392
Molasses.....do....	1,660,975	313,211	1,768,952	324,839	2,220,593	208,117
Brown sugar.....pounds..	62,453	1,863	5,125	229	10,332	403
Leaf tobacco.....do....	719,256	25,293	317,548	16,230	47,437	4,068
Cigars.....M..	486	5,837	392	5,205	356	4,650
Cigarettes.....do....	205	339	486	676	187	345
Corn.....bushels..	2,416	1,591	35,748	29,456	12,933	11,599
Straw hats	.....	8,214	.....	13,284	.....	7,995
Wood, and manufactures of	.....	24	.....	667	.....	3,940
All other domestic articles	.....	15,749	.....	96,830	.....	174,263
All other foreign articles	.....	106,808	.....	354,737	.....	54,475
Total	.....	4,543,077	.....	3,076,420	.....	4,115,069

Imports from the United States.

	Fiscal year ended June 30—					
	1901.	1902.	1903.	1904.	1905.	1906.
Breadstuffs	$955,409	$1,040,079	$1,185,313	$1,084,694	$1,259,519	$1,395,257
Chemicals, drugs, and dyes	67,282	135,846	141,790	139,996	173,680	201,472
Bituminous coal	62,673	62,793	162,033	235,561	197,702	169,292
Cotton cloths, and manufactures of	1,381,996	2,060,826	2,044,470	1,670,005	2,109,063	2,419,121
Fibers, vegetable, and textile grasses, and manufactures of	96,047	30,100	47,265	73,842	202,727	143,901
Fish	251,758	395,444	196,370	154,106	400,731	514,902
Iron, steel, and manufactures of	619,282	1,171,136	1,434,350	1,013,061	1,585,054	3,240,649
Leather, and manufactures of	88,700	234,331	309,886	283,961	337,083	441,652
Oils, mineral and vegetable	94,662	144,512	150,625	199,534	191,606	231,533
Paper, and manufactures of	71,390	110,222	116,892	115,296	170,393	171,812
Meat and dairy products	921,140	1,389,530	1,463,121	1,192,016	1,437,632	1,800,671
Rice	1,374,168	1,803,062	2,255,429	2,326,127	2,508,724	3,347,101
Spirits, wines, and malt liquors	87,042	159,117	201,100	153,897	214,414	249,671
Sugar, molasses, and confectionery	31,902	108,296	136,797	144,731	188,730	245,866
Vegetables	102,431	231,450	197,798	128,232	169,020	333,942
Wood, and manufactures of	222,996	560,081	538,736	436,320	579,747	824,500
Cars, carriages, and parts of	70,540	132,002	135,507	122,503	141,921	363,443
Candles	32,511	54,385	66,782	70,972	84,773	77,281
Tobacco, and manufactures of	26,426	98,191	152,536	90,131	191,198	368,156
Wool, and manufactures of	8,764	81,056	80,962	92,957	143,028	140,807
Books, maps, engravings, and etchings	40,904	69,840	76,135	71,577	65,041	83,663
Instruments and apparatus for scientific purposes	28,377	81,904	59,523	44,408	47,726	88,860
All other articles, including foreign merchandise	777,102	728,447	1,092,425	1,366,133	1,574,558	2,371,329
Total	7,413,502	10,882,653	12,245,845	11,210,060	13,974,070	19,224,881

Imports from foreign countries.

	Fiscal year ended June 30—					
	1901.	1902.	1903.	1904.	1905.	1906.
Chemicals, drugs, and dyes	$50,722	$61,340	$59,350	$56,374	$51,590	$79,875
Cotton cloth, and manufactures of	233,142	119,475	117,321	123,782	100,606	137,870
Chinaware, plain and decorated	19,052	25,880	21,598	12,632	7,400	16,690
Fibers, vegetable, and textile grasses, and manufactures of	116,854	123,876	121,403	120,091	164,661	179,048
Fish, codfish, herring, and mackerel	270,112	397,965	472,601	363,155	467,854	513,963
Iron and steel, and manufactures of	104,813	205,966	176,147	92,351	285,241	256,612
Leather, and manufactures of	152,344	124,704	105,923	103,959	82,464	92,790
Oils	29,506	82,820	58,296	58,243	61,503	70,229
Paper, and manufactures of	47,078	40,621	32,494	37,844	43,337	52,060
Meat and dairy products	72,308	201,966	201,718	221,390	204,485	210,932
Rice	159,371	90,906	55,033	33,502	4,637	6,885
Soap	97,436	133,116	147,253	94,468	93,879	70,409
Vegetables	141,216	208,256	214,573	192,751	165,665	164,076
Spirits, wines, and malt liquors	60,889	96,858	84,132	71,280	77,776	100,052
Wood, and manufactures of	44,700	62,081	58,297	56,028	78,553	108,928
Wool, and manufactures of	39,562	28,010	24,984	20,920	13,173	17,693
All other articles	313,623	323,117	261,318	300,190	659,365	524,672
Total	1,952,728	2,326,957	2,203,441	1,958,969	2,562,189	2,602,784

Imports and exports, 1901–1906.

IMPORTS.

From—	Fiscal year ended June 30—					
	1901.	1902.	1903.	1904.	1905.	1906.
Austria-Hungary	$13,245	$17,945	$17,315	$10,251	$4,518	$18,589
Belgium	8,922	6,427	17,311	4,482	68,520	111,939
Denmark	12,217	14,949	21,063	16,385	24,373	34,668
France	166,723	173,348	259,992	178,235	330,176	345,785
Germany	152,201	202,040	155,917	100,160	105,290	148,971
Italy	19,552	19,838	15,463	30,884	25,952	38,812
Netherlands	61,838	12,243	7,120	13,579	24,012	48,181
Portugal			440	730	260	97
Spain	808,441	869,479	793,061	627,982	578,931	642,200
Sweden and Norway	1,884					
Switzerland	437	871	800	4,532	784	50
United Kingdom	374,837	401,037	318,839	243,768	235,406	264,112
British Honduras	12					
Mexico				4,192	12,673	22,857
Nova Scotia and New Brunswick	294,067	441,678	390,140	400,387	525,217	575,787
Canada					1,000	
West Indies:						
British	108	927		2,756	2,321	550
Cuba	2,958	15,689	5,482	30,596	7,967	61,529
Danish	1,564	2,249	11,709	12,880	2,852	6,629
Dutch	14,165	4,883	22,417	8,271	5,949	1,372
French	24	511		18		
Haiti	79	29				
Santo Domingo	2,086	9,066	6,055	3,931	14,153	11,989
Argentina		70,294	21,012	3,831	74,427	24,839
Canary Islands		7,980	16,791	41,591	36,474	31,328
Colombia		136	1,611	8,435	10,042	250
Ecquador				468	131	
Paraguay			956			
Uruguay		39,796	96,606	184,734	65,316	93,273
Venezuela	7,384	6,321	1,020	15,389	316,748	20,899
British East Indies	9,984	9,221	22,321	10,502	88,697	98,078
Total	1,952,728	2,326,957	2,203,441	1,958,969	2,562,189	2,602,784

EXPORTS.

To—	Fiscal year ended June 30—					
	1901.	1902.	1903.	1904.	1905.	1906.
Austria-Hungary	$55,979	$342,071	$267,533	$469,778	$102,073	$278,829
Belgium	1,619	6,192	1,362	7,327	969	11,723
Denmark	18,697	3,818	17,591	1,974	2,425	7,465
France	473,470	1,479,932	1,294,578	1,578,536	382,828	630,414
Germany	140,772	326,422	342,827	354,212	47,774	136,106
Gibraltar	5,441	4,077	12,865	5,420	2,864	8,076
Italy	88,935	221,135	259,581	184,333	139,483	210,011
Netherlands	1,405	19,665	17,828	34,808		39,898
Spain	596,023	576,496	756,523	645,998	538,430	813,479
Russia			18			
Sweden and Norway	3,965	17,413	5,454	8,236	1,222	4,335
United Kingdom	3,990	17,982	4,021	625	41,548	134,380
Mexico		20		1,534	5,009	936
Nova Scotia and New Brunswick	288,612	249,915	288,065	313,929	329,638	166,513
Canada	53,087					
West Indies:						
British	56,371	62,544	43,441	38,133	53,594	23,659
Cuba	1,110,048	648,518	611,199	835,722	1,355,123	1,582,904
Danish	16,094	22,670	17,045	9,956	12,112	11,141
Dutch	4,916	6,044	6,427	10,063	19,743	3,439
French	42,483	32,382	26,787	13,165	126	669
Haiti	503	19	26	555	876	553
Santo Domingo	38,954	17,472	19,518	20,339	26,697	46,914
French Guiana			42,148	7,970		
British Guiana					86	78
Argentina	15				1,140	
Canary Islands			794			
Colombia	300	375		179	542	330
Uruguay	666		828			
Venezuela	334	28	1,425	285	12,118	599
French Africa						2,618
Total	3,002,679	4,055,190	4,037,884	4,543,077	3,076,420	4,115,069

Exports.

To—	Fiscal year ended June 30, 1906—		
	United States.	Foreign countries.	Total.
San Juan	$7,193,140	$911,922	$8,105,062
Ponce	4,645,451	1,068,218	5,713,669
Mayaguez	1,152,149	1,109,277	2,261,426
Aguadilla	368,785	553,974	922,759
Arecibo	1,019,051	301,642	1,320,693
Arroyo	2,950,865	50,838	3,001,703
Humacao	725,266	35,514	760,780
Fajardo	1,087,754	83,684	1,171,438
Total	19,142,461	4,115,069	23,257,530

Imports from foreign countries for the fiscal year ended June 30, 1906.

San Juan	$1,488,358
Ponce	789,672
Mayaguez	219,441
Aguadilla	17,488
Arecibo	52,157
Arroyo	25,135
Humacao	4,445
Fajardo	6,088
Total	2,602,784

Not only has there been a large increase in the three principal exports of the island—sugar, coffee, and tobacco—but the total trade of the island last year was the largest in its history. For the past four years the balance of trade has been in favor of the island, as the following table will show:

Fiscal year.	Imports.	Exports.	Excess of imports.	Excess of exports.	Total exports and imports.
1901	$9,366,230	$8,583,967	$782,263	.....	$17,950,197
1902	13,209,610	12,433,956	775,654	.....	25,643,566
1903	14,449,286	15,089,079	.....	$639,793	29,538,365
1904	13,169,029	16,265,903	.....	3,096,874	29,434,932
1905	16,536,259	18,709,565	.....	2,173,306	35,245,824
1906	21,827,665	23,257,530	.....	1,429,865	45,085,195

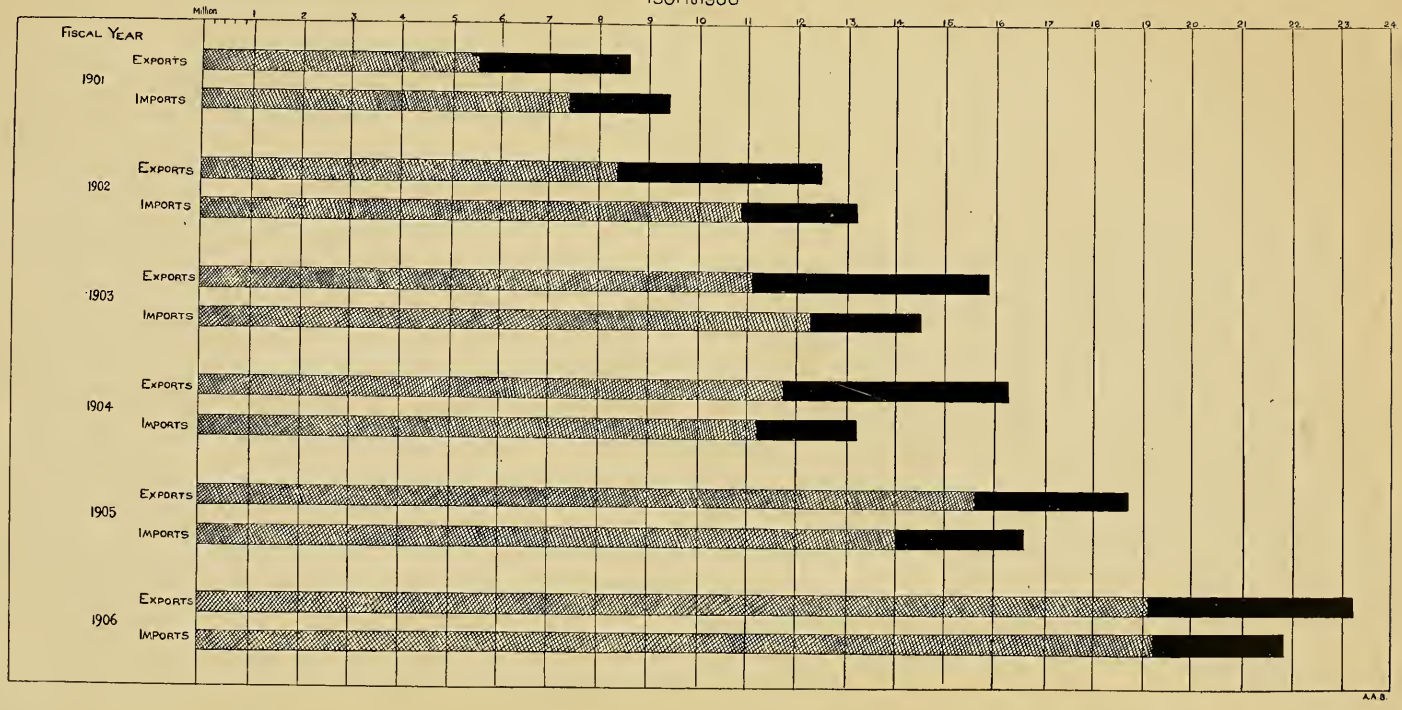
The decrease last year in the balance in favor of the island is due to the fall of about 25 per cent in the price of sugar and the rise of about 50 per cent in the value of the rice imported. The greatest trade for any one year prior to American administration was in 1896, when the total exports and imports reached in silver $37,952,456, or approximately $22,771,474 in gold.

The following tables show the total amount of customs receipts, with the cost of collection, during the past six years. The tonnage tables show only the direct transactions with foreign ports. A vessel is entered but once for each voyage, even though it may touch at several ports in the island; consequently the total tonnage of the arrivals and departures for the different ports of the island would greatly exceed these figures.

DIAGRAM OF EXPORTS AND IMPORTS OF PORTO RICO

VALUES, FISCAL YEARS

1901 TO 1906



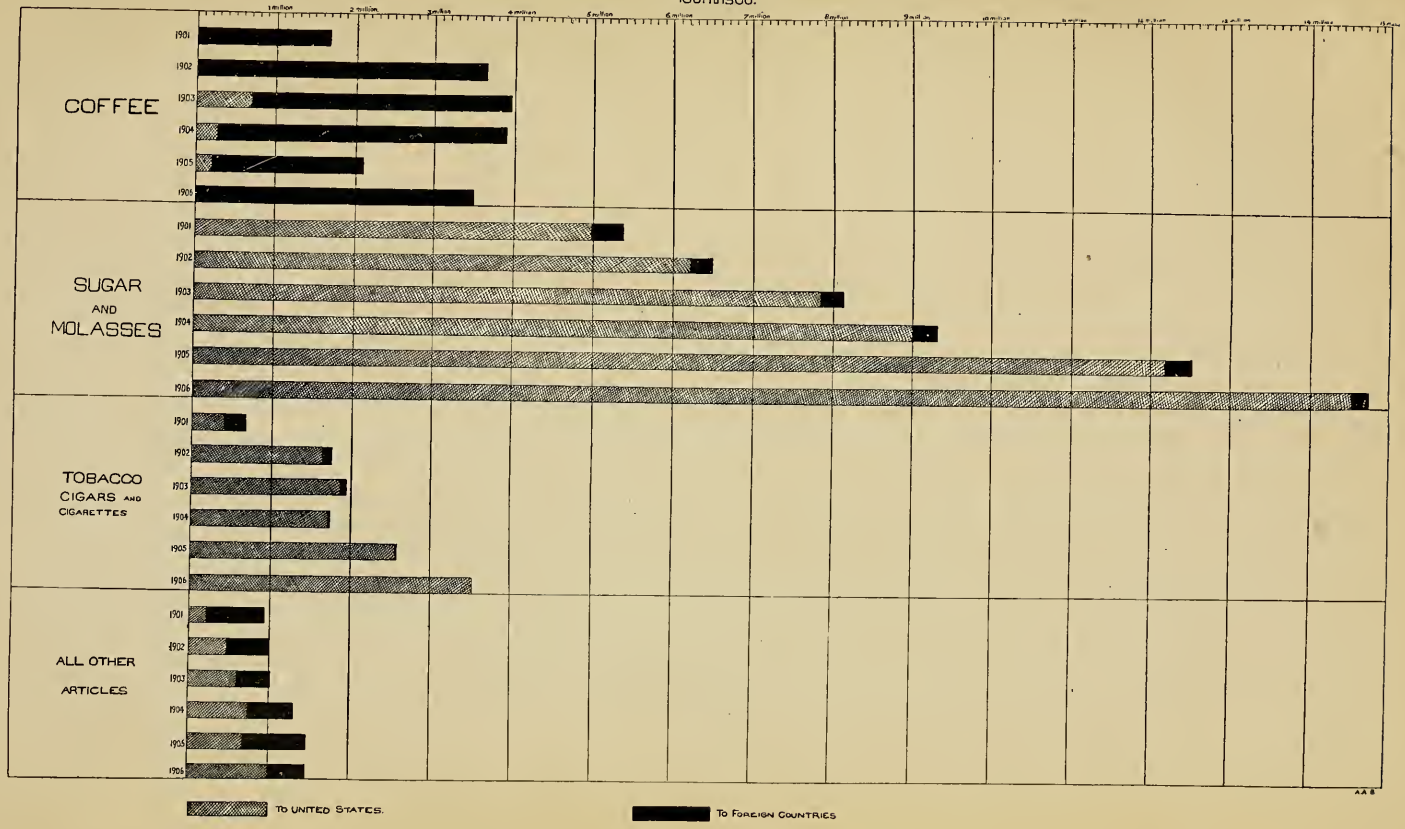
U.S.

Foreign.

DIAGRAM OF THE PRINCIPAL AND OTHER ARTICLES OF EXPORT

—VALUES, FISCAL YEARS—

1901 TO 1908.



Customs receipts.

	Fiscal years ending June 30—					
	1901.	1902.	1903.	1904.	1905.	1906.
Duties	$1,066,062.32	$899,879.24	$814,574.52	$695,533.13	$721,923.66	$800,940.99
Tonnage	11,137.05	12,390.69	12,806.60	12,915.15	11,211.18	13,012.66
Immigrant	1,951.00	1,928.00	2,981.00	3,190.00	3,034.00	3,712.00
Fines, penalties, and forfeitures	1,374.56	729.41	1,179.31	1,784.79	2,098.76	1,837.88
Special service	2,726.27	1,550.00	1,597.00	1,028.42	1,300.00	480.00
Storage	3,417.40	1,907.48	4,042.74	2,029.69	2,542.10	2,173.55
Fees	2,586.49	3,942.37	2,217.08	2,371.24	3,166.25	2,455.48
Total	1,089,255.09	922,327.19	839,398.25	718,852.42	745,275.95	824,612.56
Refunds paid	16,100.07	13,131.59	10,083.18	8,277.10	8,383.76	19,133.96
Cost of collection	.066	.057	.067	.079	.081	.076

EXPENSES OF COLLECTION.

Salaries	$66,835.91	$48,101.50	$50,751.27	$47,568.49	$51,761.13	$51,360.87
Rents	528.00	528.00	528.00	584.00	396.00	660.00
Miscellaneous	4,607.23	3,859.56	4,722.28	8,647.36	7,938.93	10,463.03
Total	71,971.14	52,489.06	56,001.55	56,799.85	60,096.06	62,483.90

Receipts from all sources fiscal year ended June 30, 1906.

Port.	Receipts.	Port.	Receipts.
San Juan	$503,467.99	Aguadilla	$5,145.04
Ponce	209,867.07	Fajardo	2,322.04
Mayaguez	83,454.84	Humacao	1,747.14
Arroyo	10,445.73		
Arecibo	8,162.71	Total	824,612.56

Number and tonnage of sailing and steam vessels, by nationality, which entered and cleared at Port Rico in its trade with the United States.

YEAR ENDED JUNE 30, 1904.

Nationality.	Entered.				Cleared.			
	Sailing.		Steam.		Sailing.		Steam.	
	Number.	Tonnage.	Number.	Tonnage.	Number.	Tonnage.	Number.	Tonnage.
American	50	24,397	76	152,165	47	25,513	117	216,389
British					2	385		
German							1	1,289
Spanish							3	4,052
Total	50	24,397	76	152,165	49	25,898	121	221,730

YEAR ENDED JUNE 30, 1905.

American	66	40,247	74	148,273	58	34,930	117	216,857
British							2	3,688
Norwegian			1	862				
Total	66	40,247	75	149,135	58	34,930	119	220,545

YEAR ENDED JUNE 30, 1906.

American	111	69,490	131	263,439	91	56,585	143	280,273
British					4	941	1	1,633
Belgium							1	1,195
Spanish					1	149		
Total	111	69,490	131	263,439	96	57,675	145	283,101

Number and tonnage of sailing and steam vessels, by nationality, which entered and cleared at Porto Rico in its trade with foreign countries.

YEAR ENDED JUNE 30, 1904.

Nationality.	Entered.				Cleared.			
	Sailing.		Steam.		Sailing.		Steam.	
	Number.	Tonnage.	Number.	Tonnage.	Number.	Tonnage.	Number.	Tonnage.
American	38	3,780	43	66,169	46	9,490	30	52,224
Austrian			6	9,524			6	9,524
British	79	10,395	20	32,405	78	10,255	20	32,405
Cuban			22	25,587			22	25,587
Colombian	3	299			3	299		
Danish	10	519	1	2,134	10	519	1	2,134
Dutch	23	1,744			20	1,398		
Dominican	1	25			1	25		
French	3	718	51	51,761	3	718	52	53,088
German			38	62,565			36	59,350
Italian			6	11,929			6	11,929
Norwegian	3	1,245	3	2,628	3	1,245	3	2,628
Spanish	8	2,179	45	119,653	9	2,323	41	112,699
Venezuelan	1	111			1	111		
Total	169	21,015	235	384,355	174	26,383	217	361,568

FISCAL YEAR ENDED JUNE 30, 1905.

American	59	1,611	42	65,055	75	11,255	28	48,937
Austrian			2	3,233			2	3,233
British	84	11,676	27	43,345	83	11,317	24	37,242
Cuban			13	14,910			13	14,910
Danish	4	37	16	8,777	4	37	15	8,611
Dutch	19	1,332			19	1,332		
Dominican	3	126	1	24	3	126	1	24
French			49	51,844			49	51,844
German			35	58,878			35	59,645
Italian			3	6,688			3	6,688
Norwegian			5	4,195			6	5,057
Spanish	8	1,984	40	109,007	8	1,934	40	107,026
Venezuelan			3	235			3	235
Total	177	16,766	236	366,191	192	26,001	219	345,452

FISCAL YEAR ENDED JUNE 30, 1906.

American	48	2,639	40	62,917	68	12,257	27	48,791
British	56	8,637	28	45,928	51	7,821	26	42,582
Belgium			1	1,195				
Cuban			12	13,598			12	13,598
Colombian	1	94			1	94		
Dutch	10	773			10	773		
Danish	4	225			4	225		
Dominican	5	135	5	196	5	135	5	196
French	1	57	48	58,874	1	57	48	58,874
German			36	65,755			36	65,755
Italian			4	8,607			4	8,607
Norwegian			4	4,784			4	4,784
Spanish	5	1,138	39	111,685	4	1,073	39	111,685
Venezuelan	4	373			3	266		
Total	134	14,071	217	373,539	147	22,701	201	354,872

HARBOR WORKS.

In my report for the year ending June 30, 1905, I strongly recommended that an appropriation be secured from Congress for the improvement of the harbor of San Juan. Since the report was written the survey authorized by the act of Congress in section 9 of the river and harbor act of March 3, 1905, has been made by an officer detailed by the War Department, and I take this opportunity of renewing

my recommendations of last year. From the year of the American occupation no harbor work of any character has been undertaken in the island of Porto Rico. Indeed, until June of the present year, owing to the fact that the ownership of lands underlying the harbor areas was vested in the United States by the organic act, no piers or bulkheads of any kind could be constructed without first securing permission from Congress. Fortunately for the commerce of the island the United States Congress, during its session just ended, passed a law empowering the Secretary of War, under certain restrictions, to grant authority for the construction of piers and wharves in the harbors and navigable waters of Porto Rico.

Inasmuch as some difference of opinion existed as to whether it would be more beneficial to the commercial interests for the Government to own the wharves or piers in Porto Rico, or to permit their construction and operation by private individuals and corporations, I called a special session of the legislature to meet on July 5 to determine this question, and also to pass very necessary rules and regulations for the policing of the harbor areas of the island. At the present time, although the commissioner of the interior, under the authority of the legislative assembly, has promulgated rules and regulations with regard to the harbor areas in Porto Rico, no penalty is attached to their violation, and in consequence much confusion is likely to occur.

With regard to the harbor of San Juan, I can but quote the statement made in my report of last year:

In 1902 the well-known engineer, William H. Burr, at the present time connected with the Panama Canal Commission, was engaged by the insular government to make a survey of the harbors of San Juan, Ponce, and Mayaguez, and to report upon the practicability of various plans for improvement, with the approximate cost that would be entailed. The report of Professor Burr shows that the harbor of San Juan could be made sufficient for all needs at the present time at a comparatively low cost. The available depth of the present harbor can not be considered to exceed 24 feet, and the channel and anchorage ground is so restricted that even comparatively small ships are obliged to make many maneuvers of backing and starting to turn within the deep water, while the narrowness and shallowness of the channel prevent the entrance of the larger ships, which would otherwise make San Juan a port of call. The present harbor is described by Professor Burr in his report as follows:

"The water surface of what may be called the harbor of San Juan is about 2 miles in extent in a northwest and southeast direction and about three-fourths of a mile in a southwest and northeast direction. The range of tide between mean high and mean low water is about 1½ feet. Much less than half of this total water surface is now available for harbor purposes in consequence of a number of shoals, some of them of large area. This water forms a natural harbor, well protected in every direction, to which entrance is secured by a channel of varying width, the direction of that channel being from northwest to southeast. The least width of this channel affording a maximum depth at low water of 28 to 32 feet is for a short distance about 400 feet, the width in other portions varying from about 800 feet west of Morro Point to perhaps 1,200 feet inside of that section, and to about 600 feet southwesterly of Puntilla Point, on which the naval station is located. Inside of Puntilla Point lies the inner harbor proper, practically landlocked, protected completely from the north by the rocky ridge on which the city of San Juan is located."

The Punta Larga shoal mentioned is partially exposed at low water and has an average width of perhaps from 800 to 900 feet. It is in reality a "long point or bar, running from the low ground on the east directly into the center of the deep-water portion of the naturally protected harbor area." The shoal is composed of mud, sand, and sandy clay, and above the depth of 40 feet below low water can be readily dredged. The borings made by Professor Burr show that the material forming the bottom of the harbor in all places is

dredgeable to any depth to which it may be found desirable to excavate for harbor purposes. There are many modern dredges of large capacities in various parts of the United States at the present time engaged on just such work, which belongs, indeed, to the more common class of operations in the construction or improvement of harbors. The cost of removing such material is comparatively small, in many cases not exceeding 9 or 10 cents a cubic yard, and in some cases even less.

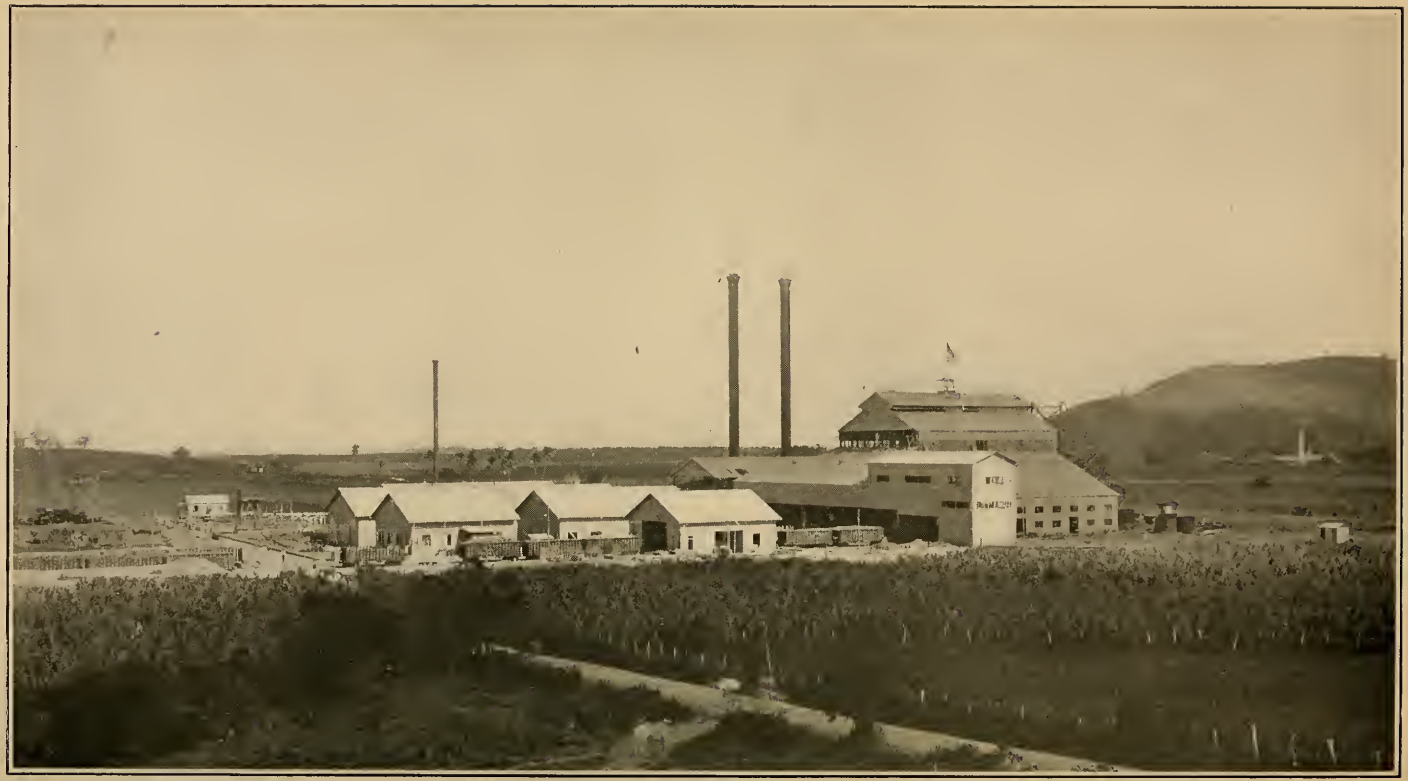
Owing to the fact that Professor Burr, with the limited time at his disposal, was unable to make many borings, he deemed it desirable to place a comparatively high estimate on the cost of dredging the harbor, fixing as he did an estimate of 25 cents a cubic yard, although he states that he considers it possible that all the material proposed to be dredged could be removed for perhaps 15 or 18 cents a cubic yard. But even with this high estimate the cost as given by Professor Burr is very slight considering the advantage that will accrue to the commerce of the island of Porto Rico. The material excavated could be used in reclaiming the large tracts of marshy lands to the east of the present harbor limits, and which would prove of the utmost value as the natural outlet for the commercial growth of the city. The increase in the value of reclaimed lands would, it is estimated, offset any expense that might be incurred in dredging the harbor. Professor Burr estimates the cost of dredging Punta Larga shoal to a depth of 24 feet at low water, taking the unit of cost at 25 cents a cubic yard, to be $325,000, while to provide the inner harbor, approximately rectangular, 3,500 feet long in a north and south direction and 2,200 feet wide in an east and west direction, 30 feet deep at low water, including the dredging of the Punta Larga shoal, would entail an expense of $750,000. Every foot of depth dredged in addition would cost approximately $71,500. Should it be considered desirable to provide a larger harbor area than that mentioned above, it could be easily secured at a comparatively small cost by continuing the dredging eastward to the Caño of San Antonio.

Owing to the extremely small range of tide—about 1½ feet—and the absence of any sensible current, it is not probable that much difficulty would be subsequently encountered through the refilling of the portions dredged. The commercial importance of this harbor will undoubtedly greatly increase in the near future, both from the excellent protection it affords shipping and also from its being the natural stopping point for vessels going to and from the Panama Canal. Should it be deemed at any time desirable to establish a naval station in San Juan, or to equip San Juan as a base for naval supplies, the harbor would have to be dredged to render possible the entrance and accommodation of any of the larger cruisers or battle ships. San Juan is the only good commercial harbor the United States possesses in the West Indies, and the improvement, entailing, as it does, but slight cost, would be of inestimable and far-reaching importance to the inhabitants of this island. Professor Burr strongly recommends that the improvements be made, stating:

"It is my judgment that the natural features of the harbor fit it peculiarly for improvement to meet the demands of modern marine commerce, and that it is worthy of such improvement. It possesses one feature in particular which emphasizes that conclusion, and that is the capacity for practically unlimited extension for such demands as may arise in the future development of the island."

BANKS AND BANKING.

There are nine banks established in Porto Rico, one of which is unincorporated. In addition to these, some of the more important commercial houses engage in the business of buying and selling exchange, acting as agents for banking institutions, receiving deposits, etc. Of the existing banks, five were organized during the Spanish régime, and four have been established under American sovereignty. There is one national bank in Porto Rico, which was opened in January, 1903, with a paid-in capital stock of $100,000. Under the provisions of the laws of Porto Rico, the treasurer is clothed with the powers of a bank examiner, and is given authority to require reports from the various banking houses showing their financial status at the close of each month. He is furthermore authorized to make



MODERN SUGAR FACTORY, 1,000 TONS DAILY GRINDING CAPACITY.

special examinations at any time he may deem proper, and to cause appropriate action to be taken should the condition of the institution be found to be such that its continuance would be unsafe. The banks existing at the present time are the following:

The Banco de Puerto Rico, formerly known as the "Banco Español de Puerto Rico," organized in 1888; the Banco Territorial y Agricola, established on July 2, 1894; the Credito y Ahorro Ponceño, chartered on February 8, 1895; the Caja de Economias y Prestamos of San German; the Banco Popular of San Juan; the First National Bank of Porto Rico, organized January 1, 1903; the American Colonial Bank, incorporated under the laws of the State of West Virginia, April 4, 1899; the J. T. Silva Banking and Commercial Company, incorporated January 1, 1901; and Luce, Crehore & Co., an unincorporated private bank.

The improved economical condition of the island is to be noted in the increased deposits and net earnings of the various banks. The establishment of savings banks, or a system of postal savings banks, is very desirable, and would do much to instill a spirit of economy and thrift among the inhabitants.

AGRICULTURE.

Manufactures play as yet but a trivial part in the island's fortunes. It is true that cigar manufacturing, hat making, fruit canning, and linen embroidery contribute to support a growing number of families, but even these industries, with the exception of the last named, are largely dependent upon agricultural development. The economic life of the island is so closely allied to the results of the harvest that too much stress can not be laid upon the importance of agriculture. The mineral resources of the island are in all probability but slight, although during the past year efforts to mine gold in the vicinity of Comerio have been renewed with considerable energy. For years to come manufactures must necessarily be comparatively unimportant; finished articles will be imported from the United States or abroad, while the list of exports will be largely composed of raw sugar, tobacco, and coffee. For this reason it will be advisable to describe in detail the progress made in the different agricultural products since my previous report.

SUGAR.

Sugar still remains the most important product of the island. The development of this industry has been normal and healthy, and it is safe to predict that it will increase in importance from year to year until all available sugar land shall be under cultivation. During the past year two new factories ground their first crop, three more will be ready for the next season, and at least two sugar centrals are planned for the crop of 1908. In addition to this, new machinery has been installed in a large number of the older factories, so that in many cases their equipment is modern. Progress is especially noticeable in the milling plants. Nine-roller mills are now to be found in districts where formerly the extraction of single and double crushing was considered sufficient, and orders have already been placed for two twelve-roller mills, one of which is to be preceded by a crusher.

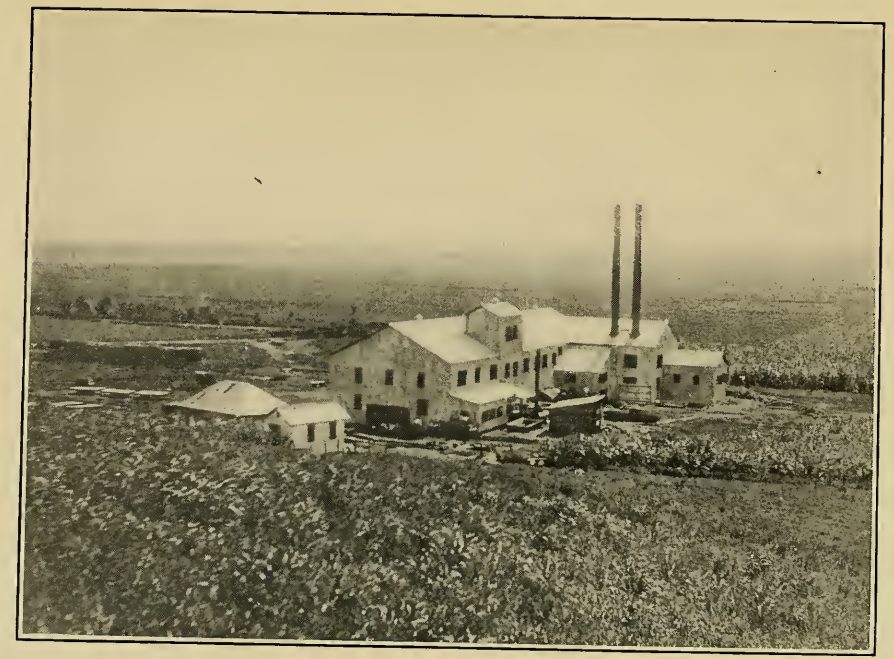
The growing scarcity of wood and the high price of coal make it more and more imperative that a factory should supply its own fuel. Chemists are employed even in the smaller factories, and the losses in manufacture, which used to be considerable, especially in the waste molasses, are steadily decreasing, thanks to better extraction, crystallizers, and chemical control. The yield of sugar per acre still falls far below the results attained in the Hawaiian Islands.[a] It should be borne in mind that the soil of Hawaii is not superior to that of Porto Rico, nor is the climate more suitable for the production of sugar cane. The large yields have been obtained solely by the application of modern agricultural methods, by judicious fertilization, careful irrigation, and intense cultivation of the soil. In view of the limited area suitable for good sugar lands in Porto Rico, it is most essential to obtain the maximum production from each acre. Many planters already realize this, and the introduction of steam plows and the increasing importation of chemical fertilizers are hopeful signs for the future. In many parts of the island irrigation is unnecessary, in others water can readily be pumped from adjacent rivers, but on the southern coast the protracted droughts and the scarcity of streams make it necessary for planters to have recourse to systems of wells. Each well system consists of a series of pipes driven into the earth to an average depth of 50 feet; suction pipes connect the wells, and water is raised to the surface and distributed by means of pumps driven by steam or gasoline motors. Successful experiments have been made with windmills to utilize the force of the trade winds which blow steadily during the dry season as motive power. Lands which lie at an elevation too great to permit of the use of suction pumps have hitherto remained uncultivated, but the recent trial of a pump forcing water to the surface by compressed air would seem to have solved the problem of irrigation at high levels.

It is probable that as the sugar plantations encroach upon the available pasture lands the use of cattle for plowing and field transportation will decrease, and that they will be substituted either by mules or motor plows and cultivators. The harvesting of the crop is still performed by hand. The sugar cane, once cut and windrowed, is loaded into bullock carts and hauled to the nearest railway switch, where it is dumped on the ground, to be again loaded into railway cars. Many devices have been employed to avoid the double loading, but as yet portable track and light cars are the only practical alternative to this wasteful method of handling.

Fortunately, Porto Rico is comparatively free from parasites and insect pests from which other sugar-producing countries suffer. The cane borer, it is true, is widely disseminated, but the resulting damage

[a] *Statistics taken from the records of the Ewa Plantation, Hawaiian Islands.*

	Cost of fertilizing per acre.	Yield of sugar per acre, in tons.		Cost of fertilizing per acre.	Yield of sugar per acre, in tons.
PLANT CANE.			RATTOONS.		
1894–95	$9.39	6.40	1894–95	3.34	6.19
1895–96	9.17	8.40	1895–96	5.69	7.16
1896–97	28.03	9.20	1896–97	5.35	5.45
1897–98	30.85	11.26	1897–98	22.96	8.8



MODERN SUGAR FACTORY, 500 TONS DAILY GRINDING CAPACITY.

MODERN STEAM PLOW.

MODERN TOBACCO FACTORY.

is inconsiderable, and is usually confined to wet lands. The custom of burning off the trash after cutting the cane is also a great check to the propagation of the borer and other insects.

It is an encouraging sign of the condition of this industry that a majority of the sugar factories produce less than 5,000 tons per annum, and are operated by resident owners. Owing to the protection of the tariff on sugar and the topography of the island they are able to compete in spite of the economic necessity of manufacture on a large scale, which seems to prevail elsewhere.

TOBACCO.

The cultivation and production of tobacco has made immense strides during the past year, and although five years ago the total export of this product amounted in value to approximately but $700,000, its value is now surpassed only by sugar. The improvement in this product is especially valuable as, like coffee, it can be produced with small outlay by the peasant proprietor. Tobacco lands have risen greatly in price, and each year new sections are opened up for its cultivation. The scientific methods of growing, curing, and fermenting employed by the larger companies have had a good effect both in increased production and in the quality of the cigars manufactured. The practice of growing tobacco under shade has proved successful, and the acreage protected by cheese cloth has been largely extended in the past year. Although the expense of this method of cultivation is great, approximating $500 per acre, the additional outlay is more than recovered in the increased yield and in the better class of leaf produced. One company during the past year has constructed at various points in the island six warehouses, in addition to a factory to accommodate upwards of 2,000 hands. During the coming year, apart from the purchase of a large building, formerly used as a district jail, for the purpose of a tobacco factory, it contemplates the construction of 6 concrete warehouses, 70 barns for curing tobacco, and 50 houses for farm hands. This spirit of enterprise has provided a great amount of work for laborers in the different towns, and the scientific methods employed afford practical illustration to the small proprietors of the necessity for improved cultivation.

COFFEE.

Coffee was the chief staple of the island until the disastrous hurricane of August, 1899. The export of this product reached the maximum of 58,772,749 pounds, valued at $8,318,604 in 1896. The exports of the past fiscal year amounted to 28,290,322 pounds, valued at $3,481,102. which, although considerably less than in former days, is higher than the figures for the prior fiscal year. The decrease of the crop is due primarily to the hurricane, although the change of currency, the change and in many cases the loss of former markets, and the fall in price, due to the large output from Brazil, are also responsible for the depressed condition of the coffee business.

The importance of the coffee crop to the island is greater than would at first appear. It is preeminently the crop of the small proprietor. The United States census of Porto Rico for 1899 gives the number of coffee plantations as 21,693, and the entire area planted

197,031 cuerdas (a cuerda being practically the equivalent of an acre), an average of only 9 cuerdas per plantation. The fact that 41 per cent of the total cultivated area of the island, and nearly one-tenth of its entire area was planted in coffee, further illustrates how closely connected with the prosperity of this crop was the welfare of the inhabitants of the island. The cultivation of coffee is rendered easy to the small planter, as but little capital is required and expensive implements unnecessary. It is true that there is no return for the first five or six years after the trees are planted, but owing to the small amount of cultivation that is needed a peon or day laborer can cultivate three or four acres, at the same time devoting his time to working on the larger plantations. By far the larger portion of Porto Rico is mountainous, and is therefore well adapted to the cultivation of coffee, but not suitable for the production of sugar cane, citrus fruits, or sea-island cotton. It is impossible, therefore, to substitute any of these crops in the place of coffee.

The outlook for the coffee crop during this coming fiscal year is excellent, and should no hurricane or other disaster be experienced the harvest should be the largest of any since the American occupation. The Government has endeavored to create a market for this coffee in the United States, through the establishment of a commercial agency in the city of New York; but although the agency has made a number of sales, and has succeeded in creating a greater interest in this excellent product of the island, it is hampered by lack of funds, and can accomplish relatively but little.

The importance of this crop is so great, and its success or failure so far-reaching and widespread, that I earnestly hope that it will be placed upon the protected list by Congress. Such action would not only bring prosperity to Porto Rico, but would render great assistance to Hawaii and the Philippine Islands as well. It is but little known that a few years ago coffee ranked fourth in the list of exports from the Philippine Islands, and that now it is produced in but very small quantities. The territory suitable for its production in the tropical possessions of the United States is so great that the Philippines, Porto Rico, and Hawaii, if stimulated by a protective duty, could produce within a few years a large proportion of the total amount of coffee consumed in the United States.

CITRUS FRUITS.

There has been an increase in the exportation of citrus fruits since my last report, owing both to the higher price obtained by the wild orange in the markets of the United States and to the fact that a few of the cultivated orange plantations have begun to make shipments. Prior to American occupation citrus fruits were not cultivated in Porto Rico, but at the present time there are probably some 7,000 acres set out and under cultivation. Until the past year the native wild fruit was not shipped with the precaution necessary to insure its reaching the market in good condition. The fruit was allowed to fall from the trees, was carried to the shipping port on mule back, and packed promiscuously, no attention being paid to grading. For this reason the fruit did not command a high price. During the past year, however, much greater care has been taken in shipments, and the planters have been duly rewarded.

ORANGE PLANTATION, TREES 21 MONTHS OLD.

ORANGE PLANTATION, TREES 33 MONTHS OLD.

Within the coming fiscal year increased shipments of cultivated fruit will be made, and at the end of two or three years a large number of the trees of the different plantations of the island will have reached maturity. It has been found advisable to bud the different classes of orange and grape fruit upon the native lemon stock, this being the most hardy stock that can be found. The price of land suitable for orange growing varies between $20 and $100 per acre. The trees should begin to bear in three or four years, although their full yield will not be reached for some years later. Fruit growing has attracted a number of American settlers in the vicinity of Bayamon, Manati, Arecibo, Rio Piedras, and Carolina, and in almost every case the plantations have flourished, and promise to yield good returns to the owners. Various classes of oranges and grape fruit have been introduced, in addition to lemons and limes. The cultivated fruit brings a good price in the New York market, and the groves of the island have the advantage over those in California and Florida in cheap freight rates to the northern markets. There is, moreover, no danger of frost, which has so often destroyed the crops in Florida.

PINEAPPLES.

There has been considerable increase in the growing of pineapples, especially the varieties which proved best adapted for shipment to the United States markets. The Red Spanish variety, of which several million plants have been imported from Florida and Cuba, is the favorite with most of the planters and is the one chiefly grown for export. Among the other classes of pineapples grown are the Cabezona, Pan de Azucar, and the Smooth Cayenne. Several canneries are at the present time in operation, and large shipments have been made with success to the United States. In several instances pineapples are grown in connection with citrus fruits. When planted between rows of trees approximately 4,000 pineapple plants to the acre can be set out without unduly interfering with the trees. When planted by themselves this number can be increased to 8,000 or 10,000 per acre.

SISAL AND OTHER FIBER PLANTS.

The legislative assembly of 1905 appropriated the sum of $10,000 for the cultivation and commercial exploitation of fiber and other plants in Porto Rico. Under authority of this law, and with the advice of the Department of Agriculture of the United States, a number of bulbils of the Yucatan henequen plant, the true agava rigida elongata, were introduced, and an attempt is being made to secure a large number of suckers of the same variety. This plant, probably more commonly known as sisal, grows readily on poor and dry hillsides where other crops will not flourish. The bulbils and suckers will be planted under the direction of the United States agricultural station in Mayaguez and will be distributed to individual planters who care to make an experiment in growing this fiber plant. There has been considerable difficulty in securing suckers from Yucatan, but I hope to obtain a number from the neighboring islands, and that before long another flourishing industry will be established in Porto Rico. A number of machines have been invented for extracting the fiber from the sisal plant, some of which are so inexpensive as to come within the reach of the smaller planters.

Maguey plants are found growing wild in various sections of the island, and sample leaves have already been sent to the United States to ascertain their commercial value. The following table indicates that the fiber is of fair strength, although not as strong as sisal or abaca:

Fibers.	Average weight of meter of single strand.	Average breaking strain of single strand.	Breaking strain computed for one gram per meter.
	Grams.	*Grams.*	*Grams.*
Porto Rican maguey (machine cleaned)	0.0189	360	19,047
Yucatan sisal (poor quality)	.053	1,130	21,321
Hawaii sisal (select)	.0588	1,640	27,891
Abaca (Manila)	.05	2,724	54,480

The Porto Rican maguey is finer and lighter than the other fibers, and its strength, therefore, must be compared on the basis of the breaking strain of one strand weighing 1 gram per meter. The chief difficulty in the exploitation of this fiber is the low yield and the small percentage of fiber in the leaf. The average weight of the leaves was slightly less than 2 kilograms. The yield of fiber was about 0.99 of 1 per cent of the weight of the green leaves. Sisal in the Bahamas averages about 3.75 per cent. Henequen in Cuba has yielded as high as 6 per cent, the average in Cuba and Yucatan being between 4 and 5 per cent.

It is interesting to note in the annual report of the secretary of the interior of the Philippine Islands for 1905 that the government of that archipelago is also taking steps to encourage the cultivation of the plant.

The insular government is considering the advisability of importing from Panama and Colombia the jipa japa fiber plant used in those countries for hat weaving. At the present time hat manufacturing is a growing industry in the island, and factories for weaving finer grades of Panama hats have been established in three towns of the island. Several hundred women and girls are thus employed. The raw material is imported from Panama and Colombia, and the manufactured article shipped directly to the United States. It is hoped that by the introduction of this plant the industry can be greatly stimulated and employment afforded a large number of families.

COTTON.

Cotton, during the past year, has probably taken a backward step; for, although undoubtedly certain sections of Porto Rico are well adapted to the production of the best grade of sea-island cotton, there is as yet but little familiarity with the most advanced methods of its cultivation. Planters prefer, as a rule, to grow crops like cane, tobacco, or citrus fruits, which promise greater returns for the outlay. The success of the crop depends entirely upon scientific methods of cultivation, which are not difficult to adopt. It is necessary to use a large amount of fertilizers, as is the practice in the sea islands of Carolina and Georgia. There is no boll weevil in Porto Rico, such as threatens the cotton industry of the Southern States,

and its worst enemy is the ordinary cotton caterpillar. In the districts which cultivate this product in the United States, this is not considered a serious pest, as it can easily be exterminated by sprinkling the plants with Paris green. The use of insecticides is almost totally unknown to the planters of the island, and in fact it is difficult to get a supply of Paris green outside of San Juan. As a result, whole cotton fields have been devastated before the planter could take precautions against the spread of the caterpillar. Under proper conditions, there is a promising future for the production of cotton in Porto Rico, but before any success can be obtained it will be necessary carefully to instruct farmers and growers in the proper methods of scientific cultivation, and in avoiding the different pests that are common to this product in all parts of the United States.

ANIMAL INDUSTRY.

During the past year an attempt has been made on a small scale to introduce live stock from the United States for the purpose of improving the breed of domestic animals in the island. In the latter days of the year 1905 I authorized the expenditure of a small sum from the miscellaneous fund placed at my disposal by the legislature for the purchase of 1 young Jersey bull, 2 heifers, 3 young Berkshire pigs, and 1 Spanish jack. Upon their arrival I placed the animals in charge of the director of the agricultural school connected with the University of Porto Rico in Rio Piedras. The Jersey cattle, secured through the agency of the Kentucky Agricultural Experiment Station at Lexington, arrived in the island in poor condition, but have now become acclimatized and are doing well. Owing to the fact that the animals were imported when very young, they have not as yet been bred, but will be sufficiently matured for breeding purposes within a short time. The Berkshire pigs grew rapidly, and have proved a great success. The boar was crossed with two native sows who recently gave birth to litters of 8 and 9 pigs, respectively. These young pigs are very promising, and 50 per cent more than current prices have been offered for them for breeding purposes. The Spanish jack, temporarily loaned to Mr. Florencio Santiago, of Coamo, a gentleman much interested in the improvement of Porto Rican stock, was bred several times, but it is too early to state the practical results.

It is my intention to lend the Jersey bull and the jack to various planters interested in breeding in different parts of the island, and to charge a nominal fee for their use by the cattle owners in the vicinity. Should the experiment prove a success, the government proposes to undertake this work of improving the breed of domestic animals on a large scale.

ROADS AND TRANSPORTATION.

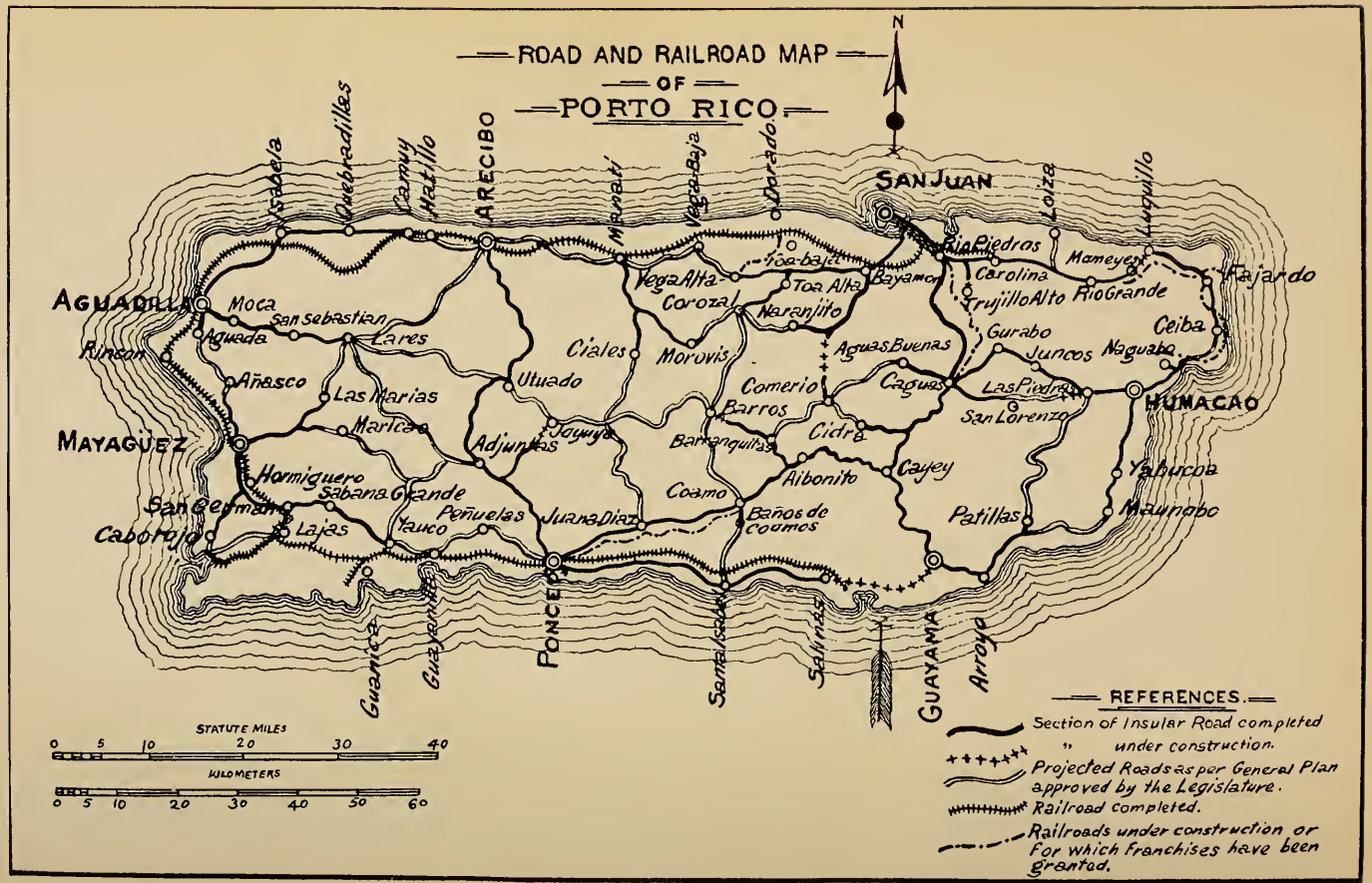
Approximately 20 miles of macadam road have been built during the past year. This comparatively small increase in mileage is due to the fact that the Congressional appropriation, returning to the island revenues collected on importations from Porto Rico to the United States the fund from which the construction of roads was met in past years, is nearly exhausted. At the last session of the

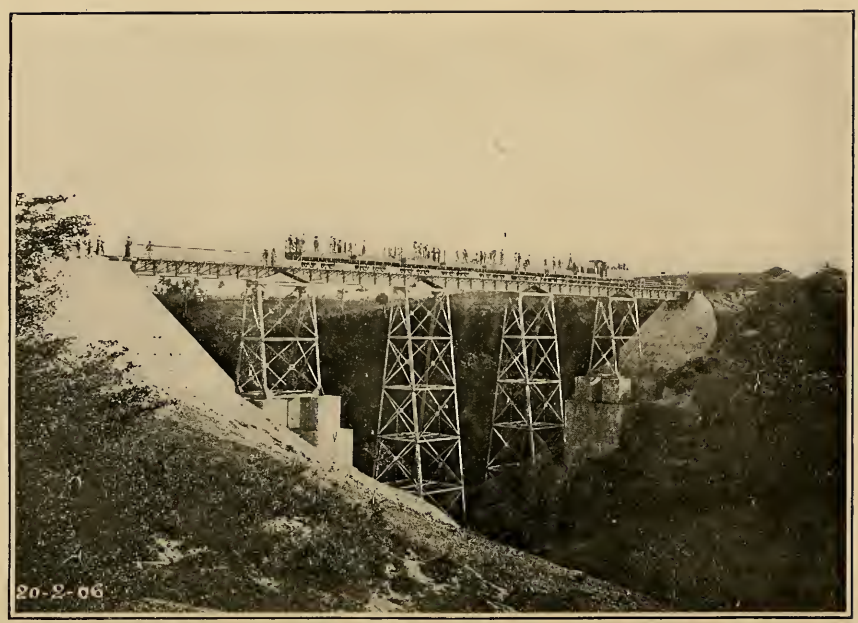
legislature a government loan of $1,000,000 was authorized to complete roads already under construction and to carry out a comprehensive plan or insular highways which will open up all the important districts of the interior and provide easy and inexpensive means of communication with the seacoast. Preparations are being made for the sale of these bonds, and it is probable that the money will be available before the close of the present calendar year. The length of roads now under maintenance by the insular government aggregates 680 kilometers, an increase of 18 kilometers in the past year. It is likely that within the ensuing year these figures will be increased to 805 kilometers. The cost of maintenance per kilometer is considerable, owing to the heavy tropical rains and to the fact that the roads of the island are built upon a foundation of loam, clay, or decomposed rock. The excess over the amount estimated in my last report is due in part to the heavy traffic carried on in bull carts over the San Juan-Caguas section and partly to the increased cost of labor. The upkeep of San Juan-Caguas road amounts to $658 per kilometer, while in one road district the expense is only $44.89 per kilometer. Still, the average cost was $91 per kilometer less than the preceding year. I believe that this can be still further reduced, although I doubt if it will ever be less than $180 per kilometer. The construction of the two railways now projected between San Juan and Caguas will do much to lessen the wear and tear on this portion of the insular road system and will naturally reduce the average expense. The following table shows the cost of maintenance per kilometer and the amount of broken stone used in the past four years:

Year.	Kilometers under maintenance.	Total cost of maintenance.	Cost per kilometer.	Broken stone used per kilometer (cubic meters).
1903	445.1	$176,783.07	$397.18	62.5
1904	518.2	193,737.37	373.87	58.3
1905	662.0	193,021.17	291.57	66.5
1906	680.0	137,201.12	201.77	65.3

In addition to the one-million-dollar loan, the legislature appropriated $50,000 for the construction of certain necessary roads. The work has already been begun and is progressing satisfactorily. In the construction of roads the policy of the government will be to give preference to those roads which connect the interior with coast towns, and to those districts where the property owners of the vicinity demonstrate a desire to assist the government by lending their carts and by furnishing stone.

I am glad to report that there has been great activity in railway building during the past year. On February 15, 1906, the American Railway Company opened for public service 16 kilometers of the gap of 43 kilometers between Camuy and Aguadilla, and expects to complete the remaining portion by October, 1906. This will provide a continuous line of railway from San Juan to Ponce, through the important cities of Arecibo, Mayaguez, and Yauco. The work presented considerable difficulties, large cuts through rock and considerable bridging being necessary. As soon as this work is completed, the railway will at once begin the construction of a line between San


ROAD AND RAILROAD MAP
OF
PORTO RICO
N
SAN JUAN
AGUADILLA
MAYAGÜEZ
ARECIBO
PONCE
GUAYAMA
HUMACAO
Isabela
Quebradillas
Camuy
Hatillo
Manati
Vega Baja
Morovis
Barceloneta
Loiza
Luquillo
Rio Piedras
Mameyes
Fajardo
Carolina
Trujillo Alto
Rio Grande
Ceiba
Naguabo
Vega Alta
Vega Baja
Toa Alta
Bayamon
Corozal
Naranjito
Gurabo
Juncos
Aguas Buenas
Cagüas
Las Piedras
San Lorenzo
Ciales
Utuado
Comerio
Barros
Cidra
Aibonito
Cayey
Patillas
Yabucoa
Maunabo
Coamo
Baños de Coamo
Barranquitas
Juana Diaz
Adjuntas
Jayuya
Moca
San Sebastian
Aguada
Lares
Rincon
Añasco
Las Marias
Maricao
Hormiguero
Sabana Grande
San Germán
Cabo Rojo
Lajas
Yauco
Peñuelas
Guanica
Guayanilla
Santa Isabel
Salinas
Arroyo
STATUTE MILES
0 5 10 20 30 40
KILOMETERS
0 5 10 20 30 40 50 60
REFERENCES.
Section of Insular Road completed
" under construction.
Projected Roads as per General Plan approved by the Legislature.
Railroad completed.
Railroads under construction or For which franchises have been granted.



AMERICAN RAILWAY COMPANY BRIDGE.

Juan, Caguas, and Naguabo; the first section of this line between San Juan and Caguas will be completed within eighteen months. The following table shows in brief the increase in passengers carried, tonnage hauled, and gross receipts of the American Railway since 1902:

	Passengers carried.	Tonnage hauled.	Total gross receipts.
1902	125,697	116,210	$227,769.57
1903	144,629	195,357	268,019.82
1904	179,175	348,405	391,890.28
1905	213,824	470,913	526,289.30

From this table it will be seen that the tonnage hauled increased 300 per cent in three years, and the gross receipts 130 per cent in the same period. For the past year the increase in both these items was 35 per cent. The enormous expansion of the area planted in sugar cane is mainly responsible for these remarkable figures.

In addition to the extension of the American Railway Company, franchises were granted for the four following lines: From Mameyes to Naguabo, via the towns of Luquillo, Fajardo, and Ceiba; from Ponce to Coamo via Juana Diaz; from Humacao to Humacao Playa; and from Vega Alta to Dorado. The San Juan Light and Transit Company, which obtained a franchise for the use of the Comerio waterfalls, for the purpose of generating electricity for motor power and lighting, has presented an application for permission to extend their trolley line from its present terminal point in Rio Piedras to Caguas, and has agreed to complete the work within two years. I beg to call attention to the attached map, showing the roads and railways constructed and under projection.

JUDICIARY.

During the past year there has been considerable change in the personnel of the district courts of the island, although the supreme court remains the same. The courts, as a whole, have shown a decided improvement in the interpretation and application of the codes based on the statutes in force in the different States, and the juries have demonstrated a higher sense of responsibility than heretofore. As at present constituted, the supreme court consists of five judges, three of whom are natives and two citizens of the United States. In the district courts seven of the eight judges and six of the fiscals (district attorneys) are Porto Ricans, while all but one of the officials of the 24 municipal courts and of the 62 justices of the peace courts are natives of the island. The United States district court for the island possesses a jurisdiction more extensive than is usual in the States and Territories. In addition to the ordinary jurisdiction of the district courts for the United States, it has jurisdiction of all cases cognizant in the circuit courts of the United States, and through an amendment to the organic act of Porto Rico it is empowered to hear and decide controversies "where the parties, or either of them, are citizens of the United States, or citizens or subjects of a foreign state or states, wherein the matter in dispute exceeds, exclusive of interests or costs, the sum or value of one thousand dollars." Contrary to the usual custom, the salaries and ex-

penses of the United States district court are paid by the local government, although the administrative control of this court is retained in the Department of Justice of the United States. This system is unfortunate. It is unsatisfactory to both the federal court and the insular government. The administrative supervision and the accountability for the expenses of the court should be vested in one government, whether it be federal or local. It is the earnest desire of the insular government, as well as the members of the federal court, that with respect to the payment of salaries and expenses, it be placed in the same category as other district courts in the United States.

The most important legislation adopted at the last legislative assembly respecting the department of justice was the enactment of a law creating a code commission, with authority to revise and compile the laws of Porto Rico. In compliance with the terms of the act, a commission has been appointed, consisting of Mr. Eduardo Acuña Aybar, as chairman, and Mr. Jacinto Texidor and Judge Henry F. Hord, lawyers of recognized ability and standing.

The courts of the island have been without an adequate supply of law books, and in order to correcct this defect an act was adopted at the last session creating law libraries for the district courts, and an appropriation was made for the purchase of the necessary law books.

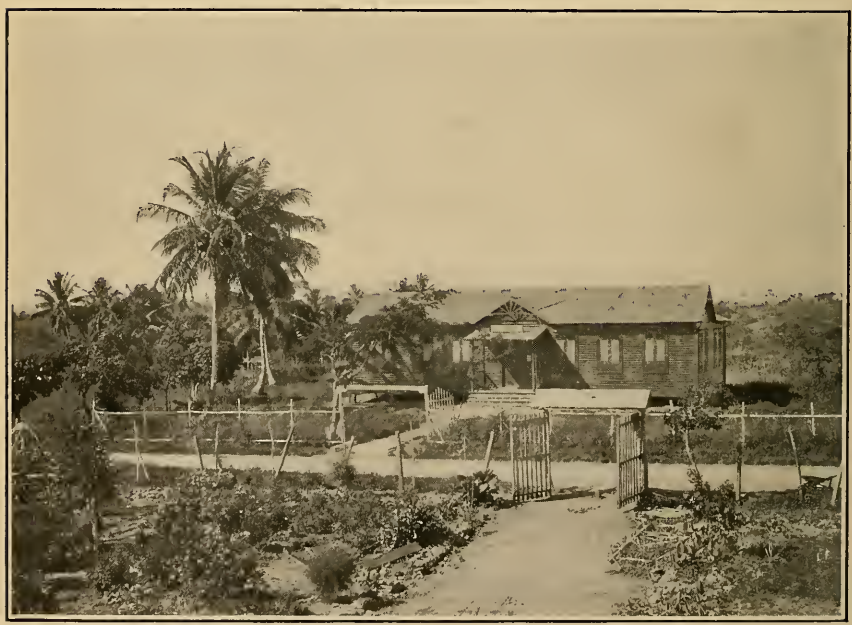
Heretofore the municipalities were under the administrative supervision of the secretary of Porto Rico. A radical change has been made in that respect. A new municipal law was adopted, taking effect on July 1, 1906, which removes the municipalities from the jurisdiction of the secretary of Porto Rico, and, to some extent, places them under the jurisdiction of the attorney-general, thereby adding considerably to the work of the department of justice. The attorney-general, under the new law, will act simply in an advisory capacity, and in certain cases, when in his opinion a municipality is not complying with the law, he may institute proper proceedings in the courts to compel compliance on the part of the municipality with all legal requirements.

Important legislation was also adopted providing for election contests in the courts. The law follows the statutes on that subject existing generally throughout the United States, and provides a summary and effective procedure to try the right to an elective office, other than that of commissioner to Washington or member of the legislature.

The increasing business in the district court of San Juan made it impossible for the judge to keep up with his docket. An act was therefore passed by the last assembly, reorganizing the court and providing for two sections, each to be presided over by one judge, one of whom has exclusive jurisdiction in criminal cases coming within the ordinary jurisdiction of a district court, and of all cases in which the people of Porto Rico is a party, and of appeals in civil cases from the inferior courts. The other section is given the general civil jurisdiction of a district court.

In addition to the above legislation a number of bills were passed making amendments in the Law of Evidence and the Code of Civil Procedure. The law regarding the admission of attorneys at law was amended so as to require a more extended examination of applicants for admission.

RECENTLY ERECTED HIGH SCHOOL, PONCE.



RECENTLY ERECTED GRADED SCHOOL, ISABELA.

EDUCATION.

Progress in educational matters in the past year has been in the nature of a gradual evolution and perfection of existing organizations. In spite of the fact that practically the same number of teachers were employed as in the previous year, there has been a gratifying increase in enrollment and attendance. The schools have reached a larger number of children by awakening local interest, stimulating both enrollment and attendance, and by the system of half-time schools, which enables one teacher to devote his attention to two different sets of children on the same day. Unfortunately, in many places the class rooms are already crowded to the full extent of their seating capacity, and half-time schools are applicable only to the lowest grades. They can not be employed very effectively in towns, and in the rural districts are unavailable where the population is sparse and widely distributed.

It is a matter of regret that there has been no substantial increase in the rural schools. If such schools are necessarily less effective as educational instruments, still it is to be remembered that the great mass of the population lives outside of the urban limits of the various municipalities, and that the rural schools are important centers of influence which are capable of doing great good. Despite the earnest efforts of the department of education the number of rural schools has not increased. It seems probable that this condition has been due to the comparatively unfavorable economic position of the rural teachers. A few years ago the number of rural schools was much larger than at present. Many of the teachers then employed have since acquired certificates as graded teachers. In this class the number of qualified teachers is larger than the number of schools available. Some accept rural schools, but others who can not obtain employment as graded teachers are unwilling to do so. There has not been an adequate growth in the number of rural teachers, nor are all the rural teachers employed in schools. Such schools generally require male teachers, and the remuneration which they offer to young men does not compare very favorably with what young men of like education can obtain in other pursuits. Recognizing this situation, the legislature of 1906 provided for some increase in salary for rural teachers, and it is hoped that better success will attend the opening of rural schools in September.

As time progresses there is a marked improvement in the work of the upper grades and in that of the secondary schools. This is due to the fact that they are dealing more and more with scholars who have been long enough under the present system of instruction to give them a proper and harmonious preparation. The commencement exercises of the normal school at Rio Piedras, the high schools at San Juan and Ponce, and the industrial school at San Juan gave evidence of increasing numbers and higher attainments. The record of the examinations held by the department of education for eighth-grade diplomas and for licenses as rural teachers gave abundant evidence of better preparation in the increased percentage of successful applicants.

Special attention has been given in the past year to the matter of industrial training in the three schools at San Juan, Ponce, and

Mayaguez. These schools have been brought into closer touch with the department of education, and every effort has been made to give the schools a thoroughly practical character. In some quarters it has been felt that progress in this direction might be more rapid. Plans for the reorganization and improvement of the schools are now under consideration by a commission appointed for this purpose by the last legislature.

Agricultural education has received a notable impulse by the school at Rio Piedras under the management of the board of trustees of the University of Porto Rico. Its pupils are all boarding pupils, who receive instruction and subsistence free of cost. In part compensation for these benefits they spend the entire morning in farm work, the afternoon being devoted to theoretical instruction. The farm is nearly 100 acres in extent. About half of it has been brought under cultivation. A good share is planted in pineapples and some minor crops, and the remainder is pasture land for the maintenance of cattle. Pineapples and the dairy are the main interests of the farm, but other crops are grown for the instruction of the pupils. The course is contemplated for three years. Some of the boys who have left the school, though they are not to be considered as graduates, have already secured good positions as farm managers. The school has accommodations for 28 pupils. In the coming year its capacity will be increased to 42.

In the town schools of the island great progress has been made in English in the past year. In town schools the movement is toward making English the medium of instruction instead of a mere subject of study. The result is a far better acquaintance with the English language and a far greater ability in its use and conversation. The movement began by placing the English teachers in charge of grades. This would have meant an increase in the number of American teachers had it not been for the fact that a large number of the Porto Rican teachers were preparing themselves to teach in the English language. Experience shows that there is no loss of time in teaching in the English language, since the attention which the child must give to the language is fixed unconsciously upon the subject-matter, and progress is quite as rapid as where Spanish alone is used. This movement toward the use of English has always been of local origin. The department of education has had to restrain it, not to stimulate it. Wherever adopted it has given satisfaction, and no demands have arisen for a return to the old system. The number of grades taught wholly or partly in English in December, 1905, was 165, of which 77 were under American teachers and 88 under Porto Rican teachers.

For the past two years special attention has been given to securing the largest possible attendance. It is clear that the number of children reached by the school system depends not only upon the number of children in school but the rapidity with which after receiving instruction they give place to others. If a country school has a maximum capacity of 50, and each child who enters stays three years, in the course of six years 100 children could be educated. But if every child stayed six years only 50 children could be educated. The course of study for rural schools is based upon three years' instruction. Only when the majority of the children finish their studies in the appointed time can the school develop its maximum efficiency.

RECENTLY ERECTED GRADED SCHOOL, SANTA ISABEL.

RECENTLY ERECTED RURAL SCHOOL, JUANA DIAZ.

PUBLIC LANDS.

Until the last session of the legislative assembly there was no appropriation for the survey of public lands, and in consequence their location has not been determined with any degree of accuracy. Last winter an allotment of $5,000 was secured for the location and classification of public roads and lands. At the next session I shall endeavor to have this amount increased and provision made for the sale of public lands to purchasers in small lots on easy terms, thus giving an opportunity to a number of laborers to become landowners.

TELEGRAPH SERVICE.

The public telegraph system in the island is under the administrative control of the commissioner of the interior. Up to the present time this system has been operated at a financial loss, owing chiefly to the large amount of free messages allowed. Efforts are being made to reduce the expenses and to increase the receipts, and it is hoped that at the end of the present fiscal year, we will be able to report a profit. In some towns, where the telegraph is but little used, telephones, connected with telegraph offices in other towns, have been substituted. A readjustment of salaries has been made, and the price of messages has been increased to 25 cents for 10 words. During the last fiscal year 105 kilometers of line were built and 400 new poles purchased.

PUBLIC HEALTH.

With the exception of a slight epidemic of measles, which was promptly suppressed, the island has been particularly free from contagious diseases during the past year. Great care had to be exercised during the yellow-fever epidemic in New Orleans last summer, to prevent the introduction of the disease into Porto Rico, but owing to the vigilance exercised by the officers of the Marine-Hospital Service the result was accomplished.

Although much still remains to be done, the sanitary conditions of the island are steadily improving. It has been found difficult to impress upon officials of the municipalities the necessity of enforcing the sanitary regulations, although improvement is to be noticed among the larger towns. During the past fiscal year the death rate has been 23.26 per thousand, 0.53 per thousand more than the previous year. The following table shows the death rate per thousand since the American occupation.

Year.	Annual rate per 1,000.	Year.	Annual rate per 1,000.
1898–1899	35.70	1902–3	26.27
1899–1900	41.00	1903–4	22.69
1900–1901	40.38	1904–5	22.73
1901–2	24.62	1905–6	23.26

During the ten years prior to American occupation, from 1888 to 1897, the death rate varied from 24.6 to 34.4 per thousand, the average being 29.6. Although it is possible, by the introduction of more advanced sanitary precautions, to reduce the death rate in Porto Rico, it is not excessive for a tropical island. The average rate for the

years 1896 to 1904 was 22.1 per thousand in Jamaica, an island lying in the same latitude and approximately the same size as Porto Rico, although with considerable less density of population, while the death rate of residents of the city of Manila for the year ending August 31, 1905, reached 40.58 per thousand.

PUBLIC INSTITUTIONS.

BLIND ASYLUM.

The blind asylum in Ponce was opened on the 23d of September, 1905. In the ensuing nine months the institution has received 173 patients, of whom 108 have been discharged as cured. It was thought wise in the beginning to give preference to cases which could be cured by medical and surgical treatment rather than to provide a home for the permanent blind. This accounts for the large percentage of the patients discharged as cured. As time goes on the indigent permanent blind will be afforded a home, and less space allotted to those curable. The entire staff of the hospital consists of Porto Ricans, and its success thus far has been due to their interest and untiring efforts.

INSANE ASYLUM.

Improvements have been made in the insane asylum by adding a wing of the building formerly assigned to the central high school and by certain necessary repairs. The inmates number 242, of whom 22 are pay patients. It will be necessary to increase the appropriation for the care of the pauper insane, it being at present too small to support the entire number of insane in the island. The institution is admirably conducted and will compare favorably with any institution of like size in the United States.

BOYS' CHARITY SCHOOL.

This school accommodates on an average 270 inmates between the ages of 6 and 16 years. On reaching the latter age they are obliged to leave the institution, although at times considerable delay is involved owing to the fact that the parents or guardians of the boys are too poor to support them and situations are not at once available. The industrial features of this school will be extended, so that every boy leaving will be able to earn his livelihood.

GIRLS' CHARITY SCHOOL.

This school, which shelters 168 inmates, has done commendable work during the past year. An effort will be made to provide a market for the lace work, drawn work, embroidery, baskets, hats, etc., which the girls make by sending samples to the commercial agency in New York. Upon leaving the institution each girl will receive a small amount of this fund for her temporary support.

LEPER COLONY.

There has been an increase in the patients in the leper colony on the island of Cabras, and at present there are 25 inmates. Apart from their disease, the general condition of the inmates is excellent, and the location of the hospital most healthy. It will be necessary

in the near future to extend this institution somewhat by the construction of cottages for patients under observation, and the necessary repairs to buildings already in existence.

PRISONS.

A new district jail at Arecibo has been built, and convicts will be transferred to this building within a few days. In addition, the penitentiary has been considerably enlarged, and permission secured for the use of the lower floor of the large military barracks in Mayaguez for a district jail. The jails throughout the island are generally in good condition, although it is advisable to construct new buildings in one or two districts to be used in place of those at present rented. The number of insular prisoners on June 30, 1906, was 201 less than on the same day in 1905. The building formerly used as a district jail in Puerta de Tierra, a suburb of San Juan, was purchased from the city of San Juan at public auction by the Porto Rico American Tobacco Company for the purpose of a factory, and the insular government was, in consequence, obliged to vacate this building at the termination of its lease, June 30, 1906.

UNCINARIASIS.

The Porto Rico Anemia Commission, created by the legislative assembly of 1904 and continued by that of 1905, gave such striking proof of the value of its work and of the possibility of permanently curing those suffering from the disease known as uncinariasis that it has been made a permanent part of the organization of the insular government. The commission, as originally appointed, was composed of Dr. Bailey K. Ashford, U. S. Army, Dr. W. W. King, U. S. Public Health and Marine-Hospital Service, and Dr. Pedro Gutierrez Igaravidez. The work of the commission in its first year proved so successful in the treatment of some 4,500 cases, at an expenditure of $5,000, that the legislature in the following year appropriated the sum of $15,000, and the same commission was reappointed. During the past year the commission made its headquarters in the city of Aibonito, where it established a tent hospital of 60 beds for patients who were too ill to return to their homes after receiving treatment. In addition to the central station, 9 sub-stations were located in the different parts of the island especially afflicted by the disease.

During the first years many of the physicans were inclined to be skeptical of the results that could be accomplished, but after the successful showing made by the commission with the small sum at its disposal, all cooperated heartily and enthusiastically in the work of stamping out this disease. An active campaign of instruction as to methods of prevention was carried on at the same time that cures were being effected, and although a great number of peasants in the afflicted districts are unable to read or write, these instructions rapidly passed from one to another by word of mouth.

From July to February over 22,500 cases were treated at the various stations throughout the island, in addition to those treated by private physicians. It was found that the average cost of medicines per patient was but 33 cents, although the expense of administration and the care of the sick in the hospitals, if included, would slightly increase this amount.

The disease is caused by an intestinal parasite, uncinaria, commonly

known in parts of the United States as "hookworm." As a result of two years' investigation, the commission reached the conclusion that in practically every case the parasite effected its entrance into the body through the penetration of the skin in contact with soil or water loaded with the young larvæ. These larvæ can not reproduce their species in the human body, although the female worm deposits the eggs in the upper part of the small intestine. In other words, every ovum laid must pass to its full development outside of the human body. The multiplication of uncinariæ contained in an infected individual is therefore impossible. Thus if a man has 100 such parasites, he will never have any more until he is infected from without. This is most important when taken in connection with the prevention of uncinariasis, and is in sharp contrast to other infectious diseases.

In view of the fact that probably 90 per cent of the rural population of the island is affected by this disease, the legislative assembly of last year determined to institute a comprehensive campaign, and appropriated the sum of $50,000 for this work. Much to its regret, the Government has lost the services of Doctors Ashford and King, who, after a residence of several years in the island, were ordered to stations in the United States. To these two surgeons is due a grateful acknowledgment for the earnest and unselfish efforts they have shown, and for their vigor and energy in initiating a work which promises to be among the most important undertaken since the establishment of American sovereignty. The third member of the commission, Dr. Pedro Gutierrez Igaravidez, who had demonstrated his ability and competence during the two previous years, has been appointed chairman of the commission. He will be assisted by Dr. Francisco Sein and Dr. Isaac Gonzalez Martinez, both Porto Rican physicians of prominence. It is the intention of the commission to divide the island into three districts, each to be under the supervision of a member of the commission. Stations will be established in the most important towns, and substations in the surrounding country.

The effect of cures is especially noticeable in the increased capacity for work which convalescents display after undergoing treatment. Enlightened employers of labor realize the importance of caring for the health of their employees, and one large company has volunteered to pay the services of a physician to be stationed near its headquarters and under the supervision of the commission.

For a more technical and detailed description of the work and the nature of the disease, I call attention to the interesting reports recently published by the commission.

MUNICIPALITIES.

The past year has been marked by a slight but steady improvement in the condition of the municipalities of the island. Hardly more than two or three are in serious financial difficulties, and a few have closed the fiscal year with a balance. Those municipalities which were recreated in 1905, after having been abolished by the act of 1902, for the most part have supported their separate existence without difficulty and to the satisfaction of their inhabitants.

The matter of the greatest interest pertaining to municipalities during the past year was the action of the legislature in revising the

municipal law. The legislature of 1905 provided for a joint commission of both houses to sit during the summer for the purpose of studying the question of local government for the island. This commission met during the month of August, 1905, and after a session of three weeks prepared a bill providing for a system of seven counties, to which should be entrusted the administration of all matters pertaining to local sanitation, education, and the care of the county roads. It also recommended many important changes in the municipal law. The legislature, however, rejected the proposition to establish counties, but revised the municipal law along the lines recommended by the commission. A detailed analysis of the municipal law will be found in the report of the secretary, but in the main the new law grants a greater amount of initiative to the municipalities and does away with the necessity of securing the approval of the executive council to a certain class of ordinances of municipalities. It also encourages recourse to the courts against any improper municipal action, rather than appeal to administrative action by the central government. The law very clearly defines the powers and duties of the municipal officers and municipal councils, and gives a wide range of discretion within those limits. It also provides checks against undue expenditures of municipal funds, restricting the yearly appropriations to the amount of the actual income of the municipality for the prior fiscal year.

The insular government has made a number of small loans to various municipalities for public improvements, or for the purpose of refunding debts at a lower rate of interest. These loans seldom exceed $10,000 in amount, and are to be repaid usually in from three to five years, with interest at 3 per cent. With the more prompt payment of taxes, owing to the greatly improved condition of the country, it is hoped that before many years all municipalities will be out of debt and easily able to meet all expenses.

INSULAR POLICE.

The legislature during the past session increased the maximum number of insular policemen from 700 to 850, and created a new police district. At the same time additional pay and service stripes were granted. This provision will do much to improve the morale of the police, and to insure the reenlistment of the best element in the force. It is not anticipated that it will be necessary to employ the full number of 850 men, except in case of emergency. In all probability the number employed on ordinary occasions will not exceed 700. The entire duty of maintaining order on the island devolves upon the insular police, the municipal police having been abolished in 1904. The organization has attained a high degree of discipline, and the activity and energy displayed by both officers and men is worthy of the highest commendation.

FEDERAL BUILDING.

At the last session of Congress provision was made in the public buildings bill for the construction of a Federal building at San Juan, at a cost not to exceed $300,000, for the use of the United States district court, the post-office, custom-house, immigration department, weather bureau, and other branches of the Federal Government now established in San Juan. This building is greatly needed, and its

prompt construction will afford more suitable quarters for the various branches of the Federal Government than those which they at present occupy. I hope that provision will eventually be made for the construction of Federal buildings in the towns of Ponce and Mayaguez.

CONCLUSION.

In conclusion, I desire to renew most earnestly the recommendations I made last year that United States citizenship be conferred upon Porto Ricans. At the last session of Congress laws for this purpose were introduced in the Senate and the House of Representatives, and favorably reported by both the committees to which they were referred, but unfortunately Congress adjourned without taking any action. The information that these laws had been presented and favorably reported was received with much enthusiasm by the people of Porto Rico, who were correspondingly disheartened when no action was taken. The uncertainty of their status creates the very natural feeling that they have not been justly treated. Not only is legislation on this subject desired by Porto Ricans, but it is heartily recommended by every American member of the Administration. The matter is of the greatest importance, and every delay in conferring citizenship will only detract from the favorable impression which would have been created by an early recognition of Porto Rican aspirations.

I desire also to renew my recommendation that some bureau or division of the central government in Washington be designated as the representative of the insular government in the same way that the Bureau of Insular Affairs at the present time represents the Philippine administration. Such a course would be beneficial in providing an office which could furnish information without delay to officials and others interested in the affairs of Porto Rico; and if the same office was designated to act for the Philippines, Porto Rico, Hawaii, Guam, etc., an opportunity would be afforded the officials in one of our insular possessions to benefit by the experience gained in the others. It would also insure a uniform policy of administration, the value of which can not be overestimated.

To sum up, the most important points on which I recommend action by Congress are:

(1) That an import duty be levied upon foreign-grown coffee.

(2) That United States citizenship be conferred upon Porto Ricans.

(3) That the harbor of San Juan be dredged and improved.

(4) That a bureau or office of the central government at Washington be designated to represent the insular administration.

(5) That the delegates to the legislative assembly of Porto Rico be elected every four years instead of every two, as at present.

(6) That the expenses of the Federal court of Porto Rico be met from Federal funds.

I beg to attach herewith the reports of the heads of the different executive departments.

I have the honor to be, sir, your obedient servant,

BEEKMAN WINTHROP,
Governor.

The PRESIDENT.
(Through the Secretary of State, Washington, D. C.)

Exhibit A.

REPORT OF THE SECRETARY OF PORTO RICO.

Office of the Secretary of Porto Rico,
San Juan, July 1, 1906.

Sir: I have the honor to submit the report of the secretary of Porto Rico for the fiscal year 1905-6.

ELECTIONS.

No election was held in Porto Rico during the past fiscal year, but at the session of the legislature the election law was entirely redrawn. As pointed out in my last report, the registration list of the island was extremely faulty, as it was based upon the registration of 1900, and no proper revision had ever been made of the original lists. The list showed 225,000 voters, while at the closely contested election of 1904 only 143,000 votes were cast. The census of 1899 places the number of males of voting age at 201,000, which is more nearly correct than either of the above figures. Moreover, during the elections of 1902 and 1904 many conflicts and doubtful passages were discovered in the law, and it was deemed advisable to redraft the entire law in the light of past experience, so as to provide for a new registration, and more specifically define the conduct of the election.

Bipartisan registration boards were established in every municipality of the island, and every elector who desires to vote is required to appear before the board personally and give his name, age, and residence before being registered. The boards issue certificates of registration to each elector, and the registry lists are made up by the central office in San Juan for every municipality of the island. Ample time is provided, so that everyone may have an opportunity to register. At the present writing over 95,000 electors have been registered, without serious difficulty of any kind.

It is possible that this registration may be made the basis of a permanent registration list for each municipality, which, by continual revision by a permanent board, may be kept accurate without the necessity of a new registration every two years.

The method of making nominations, both by convention and by petition, has been more clearly defined in the new law, with the purpose of obviating the difficulties pointed out in my last report. Assurances must be given that the candidates named are willing to run, and to serve if elected, and in the case of nominations by petition, the signatures attached must be verified by the certificate of registration of the signer.

The new law is absolutely bipartisan in character, and provides for an inspector and poll clerk from each of the two principal parties, at every polling place on the island, eliminating the advantage

which accrued to the party which had a majority of the electoral officials, which was one of the sources of complaint in the old law.

The Australian ballot was retained. As three elections have now been held under this system, the voters are becoming accustomed to it, and it was deemed wiser not to attempt to adopt a new system, although objections exist to the use of the Australian ballot when so many electors are unable to read and write.

The legislature also provided, at the last session, a special procedure in cases of contested elections. This should prove one of the best preventatives of fraud. The fact that a fraudulent election may be set aside by the courts will render fraud not only dangerous but useless, and will act as a more powerful deterrent to improper action than the penalties of the penal code.

LEGISLATION.

At the second session of the third legislative assembly 68 laws were passed. The two matters of widest interest were the revision of the municipal law and the new registration and election law. The discussion of these laws, which have been more fully explained under the heads of elections and municipalities, occupied much of the time of the session.

The question of public roads for the island received much attention at this session and as a result a bill was passed authorizing the treasurer of Porto Rico to issue bonds of the island to the amount of $1,000,000, the proceeds of which are to be spent solely for the construction of roads and bridges, under the direction of the commissioner of the interior. An appropriation of $50,000 was also made for the completion of certain public roads already begun, for which the appropriations and allotments originally made have been found inadequate. An appropriation of $15,000 was made for the extension of the insular telegraph system by means of telephones to the smaller towns and villages. A permanent commission was established to carry on the work of the suppression of anæmia in Porto Rico, and an appropriation of $50,000 was made for the purpose.

Many laws were passed affecting judicial procedure, for the most part making necessary amendments in the statutes and codes. One of the most important was a new law in regard to contested elections. Amendments were made to the regulations for admission to the bar and in regard to the practice of notaries in Porto Rico. A code commission, consisting of three members appointed by the governor, was provided for, to take up the much-needed work of codifying the laws of the island. Two judges were authorized for the judicial district of San Juan instead of one, made necessary by the large amount of work in this district.

The commission heretofore created to settle the claims of the late departmental boards of prison control was granted fuller powers in making settlements, and authority to certify amounts found due to the treasurer of Porto Rico for deduction from municipal funds. The commission was also authorized to take charge of the settlement of the claims of the board of trustees of the teachers' pension fund. The work is being carried on as rapidly as possible and it is hoped that nearly all the claims will be finally adjusted before the next session of the legislature.

MUNICIPALITIES.

During the past fiscal year the financial condition of the municipalities continued to improve. This is largely due to the fact that the agricultural interests are becoming more prosperous and better able to pay the real-estate tax, which is the practical source of income to the municipalities, but it is equally true that the municipal administrations are every year becoming more accustomed to their duties and more familiar with the needs and resources of their towns.

A complete statement of the financial condition of the municipalities in tabulated form will be found in the report of the treasurer, from which it will be seen that the floating indebtedness of the municipalities has been greatly decreased. Many municipalities have taken advantage of the provision of law which permits them to borrow money of the insular government, and during the past year the school boards of 14 municipalities have availed themselves of the privilege of obtaining loans of the insular government, varying in amounts from $1,000 to $6,000. A complete list of these municipal and school loans is appended.

There are still some few municipalities whose financial condition is unsatisfactory, but as a whole, the municipal administrations show a desire to carry on the affairs of their towns on a sound business-like basis, and an inefficient administration has become the exception on the island.

The matter of the greatest importance to the municipalities during the past year was the revision of the municipal law. The legislature of 1905 provided for a commission of members of both houses to meet during the summer and consider the system of local government in the island. This commission, composed of seven members from each house, met in joint session for three weeks in the month of August, and studied all the questions of local government in a very thorough and painstaking manner. Their report to the legislature recommended a plan dividing the island into seven counties, which should have the direction of the local sanitation, education, and the care of the local roads. They also recommended many important changes in the municipal law.

The legislature did not adopt the recommendation for the establishment of a system of counties, but embodied in a new municipal law the changes and reforms suggested by the commission.

There were three great objections to the old municipal law as it stood: First, the necessity of reference of many municipal ordinances to the executive council for approval, especially those levying the license taxes in the various municipalities. Municipal budgets were based upon the schedules of license taxes, and frequently the executive council would disapprove the schedule, upsetting all the calculations of the administration. It was therefore deemed wiser by the legislature to define clearly in the law just what taxes might be levied by a municipality, and the maximum amounts for which they could be levied, avoiding the necessity of submitting every schedule for the approval of the executive council.

The second objection was to the power given to the secretary of Porto Rico to veto any act of any municipal officer or council. This power was undoubtedly extremely arbitrary, but it had been deemed wiser, at the time the old law was drawn, to retain administrative control over the acts of the municipalities and municipal officials, as a

more speedy method of correction of improper action than recourse to the courts. Although I believe in the past the secretary's office has always endeavored to use this power with discretion, and rarely vetoed an action unless it was deemed either illegal or dangerous to the welfare of the community, yet at the same time it perpetuated the old idea of appeal to the administrative powers rather than to the courts and led to innumerable unfounded complaints. Therefore, in drawing the new law this veto power of the secretary was eliminated, but provision was made that the attorney-general might appear against any municipal authorities in any matter where their action was illegal and the office of the attorney-general was placed at the disposition of the municipalities for legal advice. It will take some time to overcome the habit of years of appealing to the governor or to the administrative authorities, but I believe that it is a long step toward self-government to instruct the people that their protection is in the courts and at the polls against any illegal or arbitrary act on the part of a municipal administration.

Third. The system of drawing municipal budgets under the old law was open to much criticism, as has been pointed out in previous reports. Under those provisions appropriations might be made to an amount equal to the assets of the municipality. This led to the inclusion among the assets of old outstanding debts and taxes which could never be collected, and the estimates of taxes for the current year would be put in without making allowance for the proportion of taxes remaining uncollected, which caused, in many cases, large deficits at the end of the year. The whole system of framing municipal budgets was therefore carefully defined in the new law, and a limit placed on the total amount which could be appropriated for any fiscal year at the amount of the actual income of the municipality for the preceding fiscal year.

EXECUTIVE COUNCIL.

In addition to the legislative session of sixty days, the executive council met in executive session 59 times. Early in the year the custom was adopted of having a regular day each week for the meetings, and since then the council has met every Thursday afternoon at 3 o'clock.

During the past fiscal year the council investigated and approved the applications of the following municipalities for loans from the insular government, in the amounts stated:

Vega Alta	$1,000.00	Coamo	$2,000.00
Adjuntas	15,000.00	Lares	12,000.00
Rincon	2,643.49	Juana Diaz	6,000.00
Aguadilla	12,000.00	Patillas	2,000.00
Naguabo	3,000.00	Aguada	4,000.00
San Juan	15,000.00	Aibonito	10,000.00
Arroyo	4,200.00		

Loans were also approved by the executive council from insular funds to the school boards of the following municipalities:

Aguada	$1,000	Camuy	$3,000
Arecibo	1,096	Hatillo	3,000
Aguadilla	1,500	Lares	5,000
Anasco	2,000	Coamo	6,000
Sabana Grande	1,200	Rio Piedras	3,500
San German	2,000	Naguabo	1,000
Manati	1,200	Toa Baja	3,000

The executive council has considered, during the past fiscal year, the following franchises and applications therefor. The action taken in each case is indicated on the following list:

Port America Company.—Franchises to construct various lines of railroad in Porto Rico. Revoked by council, August 4, 1905; approved by governor, August 22, 1905; approved by President, October 1, 1905.

Ponce Railway and Light Company.—Application for amendment of franchise, reducing royalties; denied by council, May 10, 1906.

American Railway Company, successors to the Compañía de los Ferrocarriles de Puerto Rico.—Application for amendment allowing extension of track along the Utuado road. Granted, March 16, 1906; approved by governor, March 20, 1906; approved by President, April 19, 1906.

Transfer of right of Percy Saint, in franchise granted to himself and Miguel Porrata Doria to exploit mines in the island of Caja de Muertos, transferred to Miguel Porrata Doria. Approved December 14, 1905, as of December 13, 1904.

B. J. Horton.—Franchise to construct and operate long-distance telephone lines in Porto Rico. Revoked by council, April 19, 1906; revocation approved by governor, May 25, 1906; approved by President, June 26, 1906.

Percy Saint and W. D. Noble.—Franchise to exploit mines on the island of Mona, transfer authorized to Mona Island Phosphate Co. (Limited). Granted by council, December 21, 1905; approved by the governor, January 8, 1906.

Antonio Roig.—Franchise to operate a line of railroad between Humacao and Humacao Playa. Granted by council, August 8, 1905; approved by governor, August 9, 1905; approved by the President, August 30, 1905.

A. L. Arpin.—Application for franchise to develop the power of Comerio Falls. Denied August 8, 1906.

Ramón Valdes.—Application for franchise to develop the power of Comerio Falls. Denied, August 8, 1905.

Miguel Porrata Doria.—Transfer of rights in claim for mining rights in Mona Island to Mona Island Phosphate Co. (Limited). Authorized, December 21, 1905; approved by governor, January 8, 1906.

Florensan & Trublard.—Petition for right to use certain public lands in Lajas. Recommendation of committee for denial, June 21, 1906.

J. G. White & Co.—Application for franchise to develop the power of Comerio Falls. Denied, August 8, 1905.

San Juan Light and Transit Company.—Application for franchise to delevop the power of Comerio Falls. Denied, August 8, 1905.

Fijardo Development Company.—Franchise to build and operate a railway between Mameyes and Naguabo. Granted, October 27, 1905; approved by the governor, November 12, 1905; approved by the President, December 11, 1905.

American Railroad Company of Porto Rico.—Application for right to receive title to certain lands in the city of San Juan. Denied, with recommendation for submission to legislature, August 4, 1905.

American Railroad Company of Porto Rico.—Application of lease for lands in the city of San Juan. Denied, April 5, 1906.

Juan Cortada, Ponce.—Franchise for right to use water from the Descalabrado River for irrigation. Granted, July 14, 1905; approved by governor, July 22, 1905.

Diaz y Benitez, Fajardo.—Application for right to construct telephone line to connect their estate and Fajardo. Referred to committee, July 3, 1905.

Henry F. Hord.—Franchise to build and operate a trackless trolley road over certain insular highways. Granted, August 8, 1905.

The Commercial Lighter Company, Ponce.—Application for permission to move their pier. Referred to Washington, August 4, 1905.

A. Figueras.—Application for permission to construct road for transportation of cane in Cambalache. Filed July 14, 1905.

Roig-Gay Co., S. en C., Juncos.—Application for permission to construct road for transportation of cane in Juncos. Referred to committee July 17, 1905.

Mayor of Ponce.—Transmits memorial of the municipal council requesting permission to extend Montaña street through lands of the insular government. Denied September 28, 1905.

Finlay Brothers and Weymouth Trading Company, San Juan.—Franchise to build railroad in Alta Vega and Dorado. Granted October 27, 1905; approved by governor October 30, 1905; approved by President November 18, 1905.

Amalio Pereira, Juncos.—Franchise to use water from the Valenciano River. Granted December 21, 1905; approved by governor January 8, 1906.

Martin & Co.—Application for right to use insular telegraph line poles between Manati and Hato Viejo. Denied October 26, 1905.

Manuel Blasquez.—Application for franchise to build road for transportation of cane along highway between Manati and Ciales. Denied by council December 7, 1905.

Rangel & Verges.—Franchise for right to use water from the brook Greo. Granted February 14, 1906; approved by governor February 14, 1906.

Antonio Monroig é Hijos.—Right to take water from Bayamon River. Granted February 14, 1906; approved by governor February 17, 1906.

Central San Cristobal.—Franchise for right to construct railroad between Naguabo and Naguabo Playa. Granted (with conditions) May 29, 1906.

Porto Rico Power and Light Company.—Bid for franchise to develope power of Comerfo Falls. Accepted and granted by council January 4, 1906; approved by governor January 8, 1906.

Eugui & Co.—Franchise to take water from Gurabo River. Granted March 16, 1906; approved by governor March 20, 1906.

Vicente Usera.—Application to have revocable permit of the commissioner of interior made permanent. Denied by council January 15, 1906.

Balseiro & Georgetti, Barceloneta.—Franchise to build wooden bridge over Manati River. Granted February 3, 1906; approved by governor February 8, 1906.

Providencia Central Company.—Right to operate private telephone line between its central and Arroyo; reported as unnecessary. Application renewed May 8, 1906.

R. Caballero, Salinas.—Right to use water from stream on his property in Salinas. Granted June 21, 1906; approved by governor June 23, 1906.

Ponce Railway and Light Company.—Application for permission to use portion of tracks of American Railroad Company in Ponce. Granted December 14, 1905; approved by governor December 16, 1905; approved by President January 10, 1906.

Guanica Central.—Application for permission to lay siphon below the river Estero. Granted April 3, 1906; approved by governor May 25, 1906.

Eugui & Co., Gurabo.—Right to build wooden bridge over Gurabo River Granted April 24, 1906; approved by governor May 25, 1906.

Gerardo Soler.—Right to use water from Plata River in Toa Baja. Granted April 25, 1906; approved by governor May 25, 1906.

Juan Pons y Colón, Aibonito.—Application for telephone franchise. Denied April 3, 1906.

Porto Rico Power and Light Company.—Franchise to build electric road between Rio Piedras and Caguas. Application referred to committee February 16, 1906.

Henry D. Sayre.—Application for right to use the waters of Congo Creek, in Corozal. Referred to committee February 17, 1906.

Corozal Mining Company.—Application for right to use waters of Corozal Creek. Referred to committee February 17, 1906.

Henry D. Sayre.—Application for franchise to use waters of Negros Creek in Corozal. Referred to committee February 17, 1906.

Ponce Railway and Light Company.—Application for right to lay branch track in Ponce. Granted April 19, 1906; approved by governor June 9, 1906.

Santiago Sambalin.—Application for permit to lay portable track on road from Mayaguez to San German during the grinding season. Denied April 5, 1906.

Compagnie de Sucreries of Porto Rico.—Franchise to construct railroad from Ponce to Coamo Springs. Granted June 4, 1906; approved by governor June 4, 1906; approved by President June 21, 1906.

Robert A. Miller.—Application for right to use water from Quebrada del Agua, in Peñuelas. Referred to committee April 2, 1906.

Ponce Railway and Light Company.—Application for right to operate a branch track on Leon street, in Ponce. Referred to committee April 6, 1906.

American Railroad Company of Porto Rico.—Application for permission to construct and maintain wharves and docks in the harbor of Mayaguez. Referred to committee April 6, 1906.

Municipal Council of Aibonito.—Application for permission to use the waters of the brook Covacha for municipal aqueduct. Granted May 10, 1906; approved by governor May 25, 1906.

Conrado Diaz, Santa Ysabel.—For permission to use the waters of the river Jueyes for irrigation. Referred to committee April 27, 1906.

Berio Hermanos, Corozal.—Application for right to use water from the Manati River for irrigation. Referred to committee April 27, 1906.

Carlos Conde Casariego.—Application for permission to use certain lands of the insular government lying on the north side of the harbor of San Juan for construction of wharf. Referred to committee May 19, 1906.

William C. Lockwood, San Juan.—Application for certain mining rights on government lands near Guanica. Referred to committee May 25, 1906.

Porto Rico Leaf Tobacco Company, San Juan.—Application for franchise to construct and operate a railroad between San Juan and Caguas, through Rio Piedras and Carolina. Filed May 28, 1906.

Luciano Orta, Ponce.—Application for right to use water for irrigation from stream on his property in Jayuya Arriba. Filed June 27, 1906.

BUREAU OF PRINTING AND SUPPLIES.

On April 1 of the past fiscal year the bureau of printing and supplies was removed from the office of the auditor of Porto Rico and placed in charge of the secretary. The force, when this change was made, consisted of a chief of the bureau and public printer, a chief clerk, and an accountant.

On July 3, 1905, the acting secretary, at my request, wrote to the auditor of Porto Rico requesting him to make a thorough examination of the bureau of printing and supplies, checking up the stock and cash, and also requesting such recommendations as the auditor might see fit for the improvement of the system of bookkeeping, etc., in the bureau. This the auditor kindly consented to do, and made a long and painstaking inventory and examination, which extended over nearly the whole summer, and on September 19 he forwarded to me his report, together with the inventory. This report stated that the system of bookkeeping in the bureau was not sufficiently accurate, but made no specific recommendations as to any change or system to be adopted. Therefore, on the same date, September 19, I requested the commissioner of education to permit the chief of the division of property and accounts of his department, Mr. C. O. Lord, to install the system used in his division of the department of education in the bureau of printing and supplies, as I believed that to be the most perfect system possible both for the bookkeeping, the placing and checking of orders, and accounting for the stock on hand. The commissioner of education courteously granted this permission, and the chief of his division proceeded to install the system in the printing bureau and to instruct the chief clerk in the methods of carrying it out, and explicit orders were given the chief of the bureau to see that this was done. Becoming convinced that affairs were again in an unsatisfactory condition, I requested the commissioner of education, on December 14, to again permit his chief of division of property and accounts to make an official investigation and report as to the manner of carrying out his system in the printing bureau. Mr. Lord reported to me on December 18 that the system was not being carried out; that my orders had been disregarded, and that affairs were in a very unsatisfactory condition. I immediately made a thorough personal examination of the books and general conditions, which fully corroborated the report.

The bureau was then reorganized as promptly as possible. I appointed Mr. S. M. Hyde, an employee of the secretary's office, as chief of the bureau, and made him responsible for the entire work of the bureau. The former chief clerk was discharged and his place was not filled. The former chief of the bureau was reduced from his

position and made foreman in charge of the purely mechanical work of the press room. Later evidence came to light that this man had acted as agent for a firm with which the bureau dealt, and had transacted business for it with various printing establishments in San Juan. As this was a clear violation of the governor's order in regard to these matters the man was discharged.

Since the 1st of January, when Mr. Hyde formally took over the work of the bureau, its condition has been much more satisfactory. It has been my desire, in carrying out the mechanical work, to employ as little salaried help as possible, taking on workmen temporarily as the business demands. I believe this to be more economical, and it is authorized by the terms of the appropriation act.

When, on July 1, 1904, the rule was passed requiring all printing to be paid for by the various departments, it was the intention to make the bureau self-supporting. Under this system the appropriation for the purchase of supplies should be in the nature of capital invested, and if the bureau were run on a proper business basis at the end of the year the appropriation should be undiminished. The orders given the bureau at the time were to charge the actual cost of the work and materials supplied, plus 10 per cent, which percentage was intended to cover freight, power, light, and incidental administrative expenses of the bureau. As a matter of fact, the appropriation at the end of the year has always been practically exhausted, although there was always considerable stock on hand, representing capital invested. I therefore, when I reorganized the bureau in January, gave explicit orders that the cost of each piece of work should be calculated with the greatest care and the full amount charged to the departments. It is my intention to have the bureau self-supporting, and have it run exactly as a private business would be run. I do not wish to have the bureau show a profit at the end of the year, but I wish to have the receipts fully cover the expenditures. The prices may seem slightly higher to the departments, but this is the only method by which it can be ascertained whether or not the printing bureau is an economy or an expense to the government.

The following statement shows the transactions of the bureau, as submitted by the chief of the bureau of printing and supplies:

Transactions of bureau of printing and supplies, fiscal year 1905–6.

DEBIT.

To cost of paper, envelopes, ink, cardboard, stationery and stationery supplies on hand July 1, 1905 (see governor's report for fiscal year 1904–5)	$8,923.20	
To amount paid for paper, envelopes, ink, etc., purchased from July 1, 1905, to June 30, 1906, for use of the printing office and to be issued to the several departments of the insular government and to municipalities upon presentation of requisitions, and for stationery and supplies to be issued to same departments and municipalities	18,951.18	
To salaries of printers paid from July 1, 1905, to June 30, 1906	14,869.38	
To incidental expenses paid from July 1, 1905, to June 30, 1906	1,443.15	
To cost of material for and outside labor on binding books before bookbinding department was established	366.25	
		$44,553.16

CREDIT.

By receipts for printing completed and delivered, and stationery and supplies furnished on requisitions to the several departments of the insular government and to certain municipalities from July 1, 1905, to June 30, 1906	$29,707.87	
By amounts owed by departments and municipalities	2,017.94	
By receipts for sale of old boxes and packing cases from July 1, 1905, to June 30, 1906	9.50	
By value of paper, envelopes, ink, stationery, and resalable supplies on hand June 30, 1906	10,923.86	
		$42,659.17
Net loss from July 1, 1905, to June 30, 1906		1,893.99

Valuation of plant.

Cost of printing plant and fixtures, including cases, type stands, and all material necessary for the maintenance of the printing and supply divisions, up to July 1, 1905 (see governor's report for fiscal year 1904–5)		$7,828.33
Cost of machinery and type purchased in June, 1905, not included in report of transactions of the bureau of printing and supplies for fiscal year 1904–5, but paid for by settlement warrant out of the funds of that year, as follows:		
One 34-inch Brown & Carver paper cutter	$531.00	
One automatic striker ruling machine	565.00	
One 000 Monitor wire stitcher	700.00	
One Monitor stand power perforator	140.00	
One Rochester motor	65.00	
Bookbinders' outfit	960.70	
Type, stands, and miscellaneous printing material	4,747.33	
		7,709.03
Cost of machinery purchased from July 1, 1905, to June 30, 1906, as follows: One No. 6 Optimus cylinder press		2,500.00
Cost of type, miscellaneous printing supplies, and office furniture purchased from July 1, 1905, to June 30, 1906		1,742.61
Total		19,780.02
Less cost of machinery condemned and sold during fiscal year 1905–6		555.10
Total		19,224.92

Twelve hundred and fifty-two requisitions for printing and supplies were filled by the bureau in the period from July 1, 1905, to June 30, 1906. A maximum of 35 men and a minimum of 23 were employed. What machinery and fixtures we have are in good condition and well adapted to present requirements, but a greater supply of type and miscellaneous printing material is needed to enable the bureau always to meet satisfactorily and swiftly the various demands made upon it. The machinery and printing supplies purchased by the public printer while in the United States in June, 1905, greatly increased the efficiency of the plant. Two Chandler and Price Gordon presses, valued at $500, were lately ordered to take the place of those removed by the department of education, on the withdrawal of the printing class of the San Juan Industrial School.

S. M. Hyde,
Chief of Bureau of Printing and Supplies.

During the fiscal year 1905–6 approximately 15,000 documents have been handled in the general file of the secretary's office, and 10,000 in the appointment file, making a total of 25,000 documents, each one of which has been briefed, indexed, and filed.

Copies of the laws of Porto Rico, Governor's Report, and Register of Porto Rico were mailed and distributed as follows:

Laws of Porto Rico, 1906, in English	215
Laws of Porto Rico, 1906, in Spanish	515
Governor's Report for 1905	200
Register of Porto Rico for 1905	1,350

Also various copies of the following publications, kept for distribution in the office of the secretary:

Laws of Porto Rico for the years 1902, 1903, 1904, and 1905.
Governor's Message.
Reports of the Anemia Commission.
Election Law in pamphlet form.
Registers of Porto Rico for 1901 and 1903.
Reports of the Governor for 1901, 1902, 1903, and 1904.
Census of Porto Rico, English and Spanish.
Translations of old Spanish laws.

The following fees were collected in the office of the secretary from July 1, 1905, to June 30, 1906:

For registration of corporations, filing and recording documents, and certificates issued	$1,949.55
Sale of law books	244.83
Oaths administered	7.00

I have the honor to be, sir, your obedient servant,

REGIS H. POST,
Secretary of Porto Rico.

Hon. BEEKMAN WINTHROP,
Governor of Porto Rico.

List of foreign corporations registered June 30, 1906.

Name.	Agent.	Address.
British and Foreign Marine Insurance Co. (Limited).	Mullenhoff & Korber	San Juan.
Indemnity Mutual Marine Assurance Co. (Limited).	Sobrinos de Ezquiaga	Do.
Lancashire Insurance Co	Mullenhoff & Korber	Do.
Magdeburg Fire Insurance Co	do	Do.
New York Life Insurance Co	L. Sanchez Morales	Do.
North British and Mercantile Insurance Co	Fritze, Lundt & Co	Do.
North German Fire Insurance Co	Mullenhoff & Korber	Do.
Northern Assurance Co	J. Ochoa y Hermano	Do.
Norwich Union Fire Insurance Co	J. T. Silva & Co	Do.
Prussian National Insurance Co	Mullenhoff & Korber	Do.
Royal Insurance Co	Sobrinos de Ezquiaga	Do.
San Juan Light and Transit Co	Lloyd Lyon	Do.
San Juan and Rio Piedras Railroad Co	do	Do.
Guanica Centrale	Julius Umbach	Ponce.
Swift & Co	H. H. Cloy	San Juan.
New Colonial Co. (Limited)	William Shand Marr	Canovanas Sugar Factory, Loiza.
American Colonial Bank	E. L. Arnold	San Juan.
The New York and Porto Rico Steamship Co	J. Ramón Latimer	Do.
Manufacturers and Temperance and General Life Assurance Co.	Finlay Bros. & Waymouth Trading Co.	Do.
Porto Rican-American Tobacco Co	Luis Toro	Do.
San Juan Ice and Refrigerating Co	Hubert Needham Clarity	Do.
Canovanas Sugar Factory (Limited)	Richard Silberrad Brown	Canovanas Factory, Loiza.
American West Indies Trading Co	Pedro Schira	San Juan.
North German Insurance Co	Fritze, Lundt & Co	Do.
Fire Insurance Co. of 1877	J. Ochoa y Hermano	Do.
Sun Life Insurance Co. of Canada	Gandia & Stubbe	Do.
Palatine Insurance Co. (Limited)	do	Do.
Mannheim Insurance Co	Mullenhoff & Korber	Do.

List of foreign corporations registered June 30, 1906—Continued.

Name.	Agent.	Address.
Commercial Union Assurance Co. (Limited)	Finlay Bros. & Waymouth Trading Co.	San Juan.
The Ætna Powder Co	Dooley, Smith & Co	Do.
Aachen and Munich Fire Insurance Co	Fritze, Lundt & Co	Do.
Hamburg-Bremen Fire Insurance Co	....do	Do.
The Porto Rico Fruit Co	Arthur B. Mitchell	Bayamon.
The Mutual Life Insurance Co. of New York	Wm. Korber	San Juan.
Ponce Railway and Light Co	Gardner Rogers	Ponce.
German Lloyd Marine Insurance Co	Villar & Co	San Juan.
Fidelity and Deposit Co. of Maryland	Edwin L. Arnold	Do.
American Railroad Co. of Porto Rico	Auguste Duval	Do.
West India Oil Co	J. A. Fricker	Do.
Guardian Fire and Life Assurance Co. (Limited).	Villar & Co	Do.
Porto Rican Leaf Tobacco Co	L. Toro	Do.
The Gustavo Preston Co	W. D. Sheldon	Naguabo.
Central Los Caños	Hermann J. F. Pohlmann	Arecibo.
Liverpool and London and Globe Insurance Co.	Gandia & Stubbe	San Juan.
British America Assurance Co	J. T. Silva Banking and Commercial Co.	Do.
The Porto Rico Telephone Co	Conrad O. Palau	Do.
The Domestic and Foreign Missionary Society of the Protestant Episcopal Church in the United States of America.	James Heartt Van Buren	Do.
The Union Central Life Insurance Co	José C. Barbosa	Do.
International Lloyd Joint Stock Insurance Co.	Moral & Co., S. en C	Playa, Mayaguez.
The Candelaria Fruit Co	Nathaniel A. Walcott	San Juan.
The Mutual Plantation Co	....do	Do.
The Bayamon Fruit Co	Samuel P. Bates	Do.
The Puerto Rico Planters Co	John H. Hanaford	Do.
American Surety Co. of New York	Conrado Palau	Do.
Waldrop Photographic Co	Frank L. Silva	Do.
Espinosa Fruit Co	John H. Hanaford	Do.
Cayey-Caguas Tobacco Co	Harrison Johnson	Caguas.
The Industrial Co. of Porto Rico	Luis Toro	San Juan.
Ponce and Guayama Railroad Co	W. J. Lowrie	Central Aguirre.
Vega Baja Fruit and Land Co	Alfred Soloman	San Juan.
Mona Island Phosphate Co. (Limited)	W. D. Noble	Do.
The Vista Hermosa Co	Alfred William Bowser	Aguas Buenas.
The Southern Cross Fruit Co	John A. Wilson	San Juan.
Central San Cristobal	Philip G. Mumford	Naguabo.
Singer Sewing Machine Co	Oscar David Hoffman	San Juan.
The Christian Women's Board of Missions	Maria Reynolds Ford	Bayamon.
Sucrerie Central "Coloso"	Henry DeCluy	Aguadilla.
Compagnie des Sucreries de Porto Rico	Arsene Hoffman	Ponce.
West Indies Commercial Co	Fernando Pla	Cáguas.
The Fajardo Sugar Co	Jorge Bird Arias	Fajardo.
Porto Rico Engineering Co	José Toro Rios	Humacao.
The Humacao Sugar Co	....do	Do.
The Fajardo Development Co	Jorge Bird Arias	Fajardo.
Federal Insurance Co	Sosthénes Behn	San Juan.
Franco-American Hat Co	August Wagner	Aguadilla.
The Corozal Mining Co	Henry F. Hord	San Juan.
Porto Rico Orange and Cotton Co	Rollins B. Murphy	Bayamon.
Porto Rico Canning Co	Raleigh F. Haydon	Mayaguez.
Herkimer-Porto Rico Fruit and Land Co	Charles P. Avery	Bayamon.
Esperanza Central Sugar Co	José Toro Rios	Humacao.
Central Aguirre Co	W. J. Lowrie	Central Aguirre.
The Western Assurance Co	Sanders, Philippi & Co	Aguadilla.
The Las Palmas Hotel Co	John A. Beaver	San Juan.
Porto Rico Light and Power Co	Clare F. Beames	Do.
The Bayamon Fruit and Land Co	Samuel P. Bates	Santurce.
Martin Auto Co	N. B. K. Pettingill	San Juan.
Central Altagracia (Incorporated)	Frederick L. Cornwell	Mayaguez.
South Porto Rico Telephone Co	Lemuel R. Groves	Ponce.
Reading Iron Co	William Villavaso	San Juan.
Porto Rico Grove and Garden Co	Newton L. Reed	Do.
Day Porto Rican Fruit Co	Walter Q. McAdams	Manati.
Buffalo and Porto Rico Fruit Co	Samuel P. Bates	San Juan.
The West India Cigar Co	Gregorio Lopez Falco	Arecibo.
Sucreries de Saint-Jean	Mateo Pierrot	San Juan.
San Antonio Docking Co	Francisco J. Amy	Do.
San Juan and Cáguas Railroad Co	Luis Toro	Do.

List of domestic corporations registered June 30, 1906.

Name.	Principal place of business.
La Carmelita Co	Ponce.
The Bonnie Fruit Co	San Juan.
The Pioneer Fruit Co. of Porto Rico	Do.
The American Grocery and Ship Supply Co	Do.
Walcott Fruit and Land Co	Do.
Arecibo Fruit Co	Do.
Porto Rico Salt Co	Mayaguez.
Norton Brothers Co	Bayamon.
Ponce Agricultural and Industrial Co	Ponce.
The Santurce Industrial Co	Santurce.
Mayaguez Light and Power Co	Mayaguez.
The Providencia Central Co	Arroyo.
The Enriqueta Land Co	Do.
Central Cambalache	Arecibo.
The Redemptorist Fathers of Porto Rico	Mayaguez.
The Solitaria Land Co	Humacao.
The Juncos Central Co	Do.
The Progreso Sugar Factory	San Juan.
The San Juan Hippodrome Co	Do.
La Fortuna Fruit Co	Do.
Ponce Commission Co	Ponce.
The Fajardo Fruit Co	San Juan.
Suzanna Land and Fruit Co. of Porto Rico	Do.
Hipodromo Ponceño	Ponce.
The Caribbean Fruit Co	San Juan.
The Yabucoa Sugar Co	Do.

Associations registered from July 1, 1905, to June 30, 1906.

Name and location.	Date on which regulations were presented in this office.	Date on which the first regulations were or are to be considered approved.
The Board of Trade of Porto Rico, San Juan, P. R	July 18, 1905	July 26, 1905
Club Eugenio Ma. de Hostos, San Juan, P. R	July 10, 1905	July 18, 1905
Asociacion de Maestros de Puerto Rico, San Juan, P. R	Aug. 24, 1905	Sept. 1, 1905
Centro Maria Virginia, Ponce, P. R	Aug. 5, 1905	Aug. 13, 1905
Casino de Juana Diaz, Juana Diaz, P. R	May 29, 1905	June 6, 1905
El Grano de Oro, San Juan, P. R	June 2, 1905	June 10, 1905
Estrella de Rio Grande, Rio Grande, P. R	May 5, 1905	May 13, 1905
El Lazo Rojo, Caguas, P. R	July 26, 1905	Aug. 3, 1905
El Amparo, Mayaguez, P. R.[a]	Oct. 20, 1905	May 24, 1895
Patria, No. 191, San Juan, P. R	July 6, 1905	July 14, 1905
Pi Margall No. 282, San Juan, P. R	Dec. 12, 1905	Dec. 20, 1905
The Play Ground Association of Porto Rico, Ponce, P. R	Jan. 4, 1906	Jan. 12, 1906
Socorros Mútuos, Vega Baja, P. R	Nov. 15, 1905	Nov. 23, 1905
Unión Obrera Puertorriqueña, Ponce, P. R	Nov. 29, 1905	Dec. 7, 1905
La Independiente, Grupo de Marinos de Mayaguez, P. R	Feb. 7, 1906	Feb. 15, 1906
Liga de Republicanos Españoles, San Juan, P. R	Aug. 5, 1905	Aug. 13, 1905
Unión General de Albañiles, San Juan, P. R	Mar. 28, 1906	Apr. 5, 1906
Asociación de Escritores y Artistas en Puerto Rico, San Juan, P. R	Feb. 27, 1906	Mar. 7, 1906
Liga Anti-tuberculosa de Puerto Rico, San Juan, P. R	Apr. 17, 1906	Apr. 25, 1906
Betances, San Juan, P. R	Feb. 13, 1906	Feb. 21, 1906
Lira, Caguas, P. R	Feb. 8, 1906	Feb. 16, 1906
La Unión de Despalilladoras, Arecibo, P. R	May 4, 1906	May 12, 1066
Unión Protectora, San Juan, P. R	Feb. 7, 1906	Feb. 15, 1909

[a] Constituted under Spanish rule.

Exhibit B.

REPORT OF THE ATTORNEY-GENERAL OF PORTO RICO.

Office of the Attorney-General of Porto Rico,
San Juan, July 1, 1906.

Sir: I have the honor to submit the following report for the fiscal year ending June 30, 1906:

The year just ended found the judiciary well established under the reorganization act of 1904. The judicial officers and the practicing lawyers are making considerable progress in acquainting themselves with the new system, and we may confidently expect that soon they will be as familar with the new practice act as they were with the civil procedure in force under the Spanish Government.

COURTS.

On July 1, 1905, twenty new municipalities were organized, or, to be more correct, reorganized. They had been independent municipalities prior to the year 1902, when they were disorganized and attached to other municipal districts. The act of 1905 recreated the municipalities previously discontinued, with the same territorial limits which formerly bounded them. In accordance with the terms of the new act, the governor appointed a justice of the peace for each of the new municipalities, thus increasing their number to 66.

A question of considerable importance affecting the organization of the district courts was presented during the last fiscal year. The organic law by which civil government was established in Porto Rico provided that the courts as organized under the military government should continue until altered or modified by law. The district courts as so organized were composed of three judges each. The act of 1904 reorganized the judiciary, abolished the courts established by general orders, and created district courts of one judge only. It was contended that the act of 1904 was in violation of the organic law; that Congress alone had the power to change the organization of those courts. This department was confident from the beginning of the controversy that the contention was unsound. The question was finally presented in concrete form during the month of April of this year, when a prisoner condemned to death by the district court of Humacao applied to the supreme court of Porto Rico for a writ of habeas corpus. The validity of the death sentence was attacked on the ground that the trial court, as constituted with one judge, was not a legal court; that the act of the legislature creating it was void because it contravened the act of Congress creating a civil government for Porto Rico. The insular supreme court dismissed the writ, and an appeal was taken to the Supreme Court of the United States, where the issue was submitted and resolved in favor of the people

of Porto Rico. No extended opinion was rendered by the Supreme Court at Washington. The court limited itself to affirming the judgment of the insular court, and cited the organic act of Porto Rico to sustain the finding.

This department was never in doubt as to the validity of the act by which the new courts were established. But the question presented was one that affected not only the judgments and orders, civil and criminal, rendered by the district courts since July 1, 1904, but also the judgments rendered by those courts in cases tried by juries since the year 1901, when the act authorizing jury trials was enacted. That act provided that one judge should preside in trials by jury. The contention was therefore far-reaching, and it was this that gave it importance. The decision of the Supreme Court of the United States set the matter at rest and has established the right of this government to construct its judiciary on such plans as to these people may seem wise. The decision of the Supreme Court of the United States served another purpose; it furnishes further proof of the fact that the Congress has established a political system for the people of this island, with powers which in a very great measure permit them to exercise the right of local self-government.

You will find attached to this report tabulated statements of the civil and criminal business transacted by the courts of the island during the last fiscal year. The statements are interesting, inasmuch as they show that the courts have kept pace with the commercial and industrial development of the island. Porto Rico is at present enjoying prosperity to an extent perhaps not exceeded in its history, and the benefits of the commercial activity are not confined to any particular industry. It seems to extend to all lines, and as a natural result of the business revival the civil cases before the courts have greatly increased. A comparison of the amount of civil business brought before the courts during the last fiscal year with that of the year previous shows that the civil cases filed in the district courts during the year just ended exceeded those filed during the year 1904–5 by 541, 2,146 cases having been filed during the year just ended and 1,605 during the previous year. The district court of San Juan shows the greatest increase of civil business, 194 cases having been filed therein in excess of those filed during the year 1904–5. The increase in the business of the district court of San Juan was such that it was impossible for one judge to dispose of it, and an act was passed at the last regular session of the legislature by which the court was reorganized with two sections, with one judge for each section. One of the sections has the ordinary civil and appellate jurisdiction conferred by law on the district courts generally; the other has the ordinary criminal, original, and appellate jurisdiction of a district court, and has also jurisdiction in all cases in which the people of Porto Rico is a party other than cases to recover immovable property. Each of the sections has power to issue writs of habeas corpus. The section having civil jurisdiction only is known as section 1 and the other as section 2. Section 2 has also jurisdiction to issue writs of injunction, certiorari, mandamus, attachment, execution, and other writs when necessary to enforce its jurisdiction. The court was reorganized and a judge appointed by the governor for each section on April 1 last. The change meets with the hearty approval of the practicing lawyers of San Juan and of the business community as well.

The increase in the amount of civil business coming before the new court I am sure will require a change in the jurisdiction as now exercised by the respective sections. I am of the opinion that section 1 should be relieved of some of the work now imposed on it by transferring to section 2 jurisdiction in probate matters. The present arangement does not divide the labors equally between the two judges. Civil cases require more time and study, and the judge who presides over section 1 finds himself overtaxed with work. Both of the judges have called my attention to the inequality in the extent of the work assigned to each of them, and the judge who presides over section 2 has expressed a desire to have the jurisdiction of his section increased.

Passing to the municipal courts, it will be noted that there also the civil business has increased. Two thousand one hundred and sixty-one cases were filed in the 24 municipal courts during the fiscal year 1904–5, while during the last fiscal year 2,656 were filed, an increase of 495 cases. All the municipal courts show an increase in civil cases except the courts of Cayey, Fajardo, Mayaguez, and Ponce, where a decrease is shown. The greatest increase was in the municipal court of San Juan, where the civil cases filed during the year just ended exceeded those filed during the previous year by 114.

As a rule the litigants before the courts seem to have been satisfied with the disposition made of the cases. Of the 1,869 matters disposed of in the 7 district courts but 127 appeals were taken, and in the 2,480 cases disposed of by the municipal courts only 165 appeals were taken. This would indicate that the judiciary is administering the new laws to the satisfaction of the public.

An increase in the number of civil cases brought before the courts is not the only improvement indicated by the last year's record over that of the previous year. The reports from the district courts show that 1,086 felony cases were presented by the fiscals during the year 1904–5, and during the year 1905–6 only 933 cases were filed, a decrease of 153 cases. And the fact that homicides were less frequent during the year just ended than during the year previous is a very hopeful sign. The record for 1904–5 was 66 homicides of all grades, that for 1905–6 was 49 homicides of all grades, a decrease of more than 25 per cent. The marked difference is in the number of murder cases filed in 1904–5 as compared with 1905–6. The former year's record was 28 cases as against only 10 in the latter year. The falling off in the number of homicides may be attributed to the good work of the police and the vigorous prosecution by the fiscals of the person charged with crime.

The improvement shown in the decrease in the number of felonies in the island during the last year does not extend to the lesser offences. The reports from the municipal courts show an increase in the number of misdemeanors and petty offences filed during the last fiscal year, as compared with those presented during the preceding year. The increase amounts to nearly 2,000 cases. It is not easy to account for the increase; it may be due to the concentration of men at many points of the island, owing to the great demand for laborers at the various factories and plantations. Many of the offences are such as usually result from pay-day festivities, where laborers are congregated in great numbers.

The fiscal year 1904–5 included the election period of 1904, and the figures submitted seem to disprove the statement often made that more disturbances of the peace are committed during the election period than at any other time. The increase in the number of misdemeanor cases filed was in all of the municipal courts, except those of Bayamon, Coamo, Mayaguez, Ponce, San German, and Vega Baja, which show a decrease.

The municipal courts rendered 14,521 judgments of conviction during the year 1905–6, as compared with 12,565 for the year preceding, an increase for the year just ended of 1,586. Of the 12,565 judgments of conviction rendered in the year 1904–5, 241 were appealed from, and of the 14,121 rendered last year 337 were appealed from, an increase of 96, showing a proportion of appeals greater than for the preceding year.

There are some matters connected with the criminal business of the municipal courts which I desire to call to your attention. The criminal jurisdiction of the justice courts is too limited, and includes few matters other than violations of municipal ordinances.

The question of the jurisdiction of the courts was discussed generally at the last regular session of the legislature, but no definite action was taken, and the justices of the peace courts remained with their present very limited jurisdiction. A few of the municipal courts are able to dispose of all the business coming before them, but many of them can not do so. The municipal courts of Ponce and Humacao have such a large volume of criminal business that it is impossible for the judges to attend to it, although every effort is made by them to dispatch business. The municipal court of Ponce disposed of 2,391 criminal cases during the last year, in which 1,836 convictions were rendered and 434 acquittals. In addition to the criminal business transacted it disposed of 287 civil cases. The strain on the physical and mental faculties of the judge under such conditions is severe, and some relief should be given to him by increasing the jurisdiction of the justice court of Ponce and by adding another justice court to that municipality if necessary.

The municipal court of Humacao is also burdened with business. It disposed of 1,590 criminal cases during the last year, in which 1,149 judgments of conviction were rendered and 441 acquittals. Besides the criminal business, 73 civil cases were disposed of by that court.

In the returns of the municipal court of San Juan we find that it disposed of 1,341 criminal cases and 471 civil cases. I am sure that the municipal courts of Mayaguez, Arecibo, and Guayama are also overburdened and should be relieved by legislation as soon as possible.

The municipal court of Humacao reports 2 appeals from the 1,149 judgments of conviction rendered by it last year. This showing is remarkable, and it is doubtful whether a court anywhere can present a better record than that.

The municipal court of Yabucoa had but 1 appeal out of 437 convictions, and in the municipal court of Barros not a single appeal was taken from 193 convictions rendered by it.

JURY SYSTEM.

The progress made in the jury system in Porto Rico is of interest, not only as a matter of criminal statistics, but as indicative of the advancement of the people of the island in the art of self-government. Jury trials were first established here in 1901, after the civil government was organized under the Foraker law. The law went into effect on April 1 of that year. For the first ten months thereafter not one jury trial took place in the island, and only ten such trials had been demanded, and within a year and a half after the law became effective only one case was tried by jury in the district court of San Juan, the most important trial court of the island. In the remaining courts of Ponce, Mayaguez, Arecibo, and Humacao (there being but five district courts until July 1, 1904) but 17 jury trials were heard prior to September 30, 1902. In the district court of Arecibo no jury trial was had up to that date, while in the district court of San Juan but one jury trial was had. During that period 8 cases were tried by juries in Mayaguez, resulting in 4 verdicts of conviction and 4 of acquittal. In the district court of Ponce 4 cases were tried by jury during that period, in which 2 verdicts of conviction and 2 of acquittal were rendered. In the district court of Humacao 4 jury trials were had, in which but 1 conviction was secured.

After the period just mentioned the demands for trial by jury began to increase, and we find that during the month of October, 1902, 30 jury trials were heard in the district court of Mayaguez. But 11 judgments of conviction resulted from these trials. Thus it appears that from April 1, 1901, until October, 1902, only 47 trials by jury were had in the district courts, resulting in 18 verdicts of guilty.

Let us pass over the years intervening and examine the record of the fiscal year 1904–5. We find that 334 jury trials were had that year, resulting in 177 convictions and 154 acquittals. This is a considerable increase, not only in the number of jury trials, but in the average number of convictions as well. The number of jury trials during the year 1905–6 was 339, 5 more than the year previous. But when we consider that 153 felony cases less were filed in 1905–6 than the year previous, the proportionate increase in jury trials is of importance. Of these trials 182 resulted in convictions, 150 in acquittals, and 7 in mistrials.

The scarcity of jury trials for so long a period after the law authorizing them went into effect was doubtless due to the disinclination of the people to adopt a procedure with which they and the courts were then unfamiliar, and, perhaps, to the existence of a belief in the minds of the parties accused that their rights would be better protected under a system to which they had become accustomed by experience and practice. The failure to obtain a greater percentage of convictions may be attributed in a large measure to the want of familiarity with the jury system on the part of the fiscals, who were thus handicapped in presenting the cases to the jury, and to the further fact that the judges were also unacquainted with the system, and, necessarily, in many instances, must have misdirected the jury.

LEGISLATION.

Among the laws passed at the last general session of the legislature was one to provide for the recording of judgments in the registry of property for the purpose of creating liens upon immovable property. The mortgage law permitted the annotation of judgments against the record of each piece of real estate, but as the system required as many entries to be made in the record as there were pieces of property recorded the practice was cumbersome and expensive. The new act follows the legislation prevailing in the United States on the subject of judgment liens. It authorizes the recording of judgments of the United States district court for Porto Rico in the same manner and with like effect as that provided for the judgments of the insular courts. Of course the old Spanish law contained no such provision.

Another act adopted at the same session of considerable importance is that providing for the trial of the right to an elective office. The act follows closely the election-contest laws which are in force throughout the United States and will no doubt prove beneficial to the people. It will afford the citizen means of protecting himself against the unlawful deprivation of an office which justly belongs to him without having to appeal to the executive officers of the government, as he had to do formerly under the quo warranto law. The fact that a citizen who believes himself duly elected to an office can enforce his claim through the courts in the same manner as he would any other claim will no doubt materially assist in bringing American principles of government to the knowledge of the people. The people of Porto Rico for years have been taught to look to the executive authority for redress in all matters, and the idea that a citizen could recover possession of an elective office without the intervention of the executive authorities was unheard of during the Spanish régime. Under the new act the issue may be tried and the right to the office determined in like manner as if it were an ordinary civil claim. The enactment of the law was a step forward in the direction of government by and for the people. The island has made rapid progress in that respect during the last few years and the people are beginning more and more to rely on the courts for the adjustment of their differences.

An act creating a code commission was also approved at the last session of the assembly and took effect on July 1. The governor, by virtue of its provisions, has appointed three gentlemen to serve on the commission. The three men selected are among the best to be found in the island, and I have no doubt that their work will be of great value to the judiciary of the country. The commission is required to revise and compile all the laws of Porto Rico and make a report to the legislative assembly within two years from the date of their appointment. The task is one requiring industry, intelligence, and careful attention to detail. The high character and ability of the gentlemen commissioned to do the work is an assurance that it will be faithfully and creditably done.

The most popular act of the last assembly was the adoption of a law providing for a system of government for the municipalities. The main features of the law of 1902 were continued in the new act, but the latter owes its popularity to those provisions in it which make the municipalities almost independent of the central government.

The new law takes from the secretary of Porto Rico the administrative control and veto power which he had over the acts and resolutions of the municipal councils and their executive officers. Any citizen who feels himself aggrieved by an act of a municipality or one of its officers must now appeal to the courts for redress and not to the secretary of Porto Rico as formerly.

A very novel feature of the new law is that which makes it the duty of the attorney-general to defend before the courts any person who has a meritorious claim against a municipality or any of its officers, if the person is too poor to employ counsel. The law also requires the attorney-general to compel the municipalities by mandamus to make proper provision in their budgets to meet all legitimate charges against them, and, in fact, to compel them to comply fully with the law in every respect. The attorney-general has no supervision over the municipalities such as that formerly exercised by the secretary of Porto Rico. He can only require them and their officers to obey the law by appealing to the courts against them.

No doubt the new duties assigned to the attorney-general by the municipal law will largely increase the work of this department, but I am hopeful that it can be attended to without an increase in the personnel of the office.

The law regulating the notarial practice in Porto Rico had remained the same as when it was adopted by the Spanish Government, with few changes, until recently. All those provisions of the old law which were political in their nature ceased to be in force immediately upon the change of sovereignty. Other provisions in it have become obsolete. A revision of the law was therefore necessary. This was done by the last assembly, and the law as revised was reenacted with provisions more in keeping with the present business condition of the island. The law as reenacted makes the attorney-general the administrative chief of the notaries, and thus additional duties are imposed upon him.

The act to regulate the practice of law in Porto Rico adopted at the last session of the legislature is of importance to the bar of the island. The new law requires a much broader examination for admission to practice than that required by previous legislation, and includes an examination on subjects of American legislation and jurisprudence. It also establishes rules for the conduct of lawyers in their practice before the courts.

Another act adopted at the last session of the legislature of special interest to the courts is that authorizing the establishment of law libraries for the district courts. In past years the district judges have been required to administer the laws without the benefit of books save those in private libraries, and when the change from the Spanish laws to the present system took place the judicial officers were compelled to interpret the new laws without books to aid them. The penal code and code of criminal procedure, the law of evidence, and the code of civil procedure now in force here were taken from the laws of California, and yet none of the courts was provided with the California reports. The recent enactment makes special provision for the purchase of the reports of the supreme court of California for each one of the district courts, and also authorizes the purchase of the decisions of the supreme court of Madrid on the mortgage law and the civil code. Steps have been taken to

secure the much-needed books. The acquisition of the California reports has been delayed owing to the fact that the supply on hand in the publishing houses in San Francisco was all destroyed during the earthquake and fire which ruined a large part of that city. It is expected that by the end of October of this year the courts will have the reports. The reports of the supreme court of Madrid have been ordered and are now on their way from Spain.

An act embodying the principles of the system commonly known as the "Torrens law" was introduced in the executive council during the last regular session of the assembly; also an act to provide for a cadastral survey of the island, the latter act being considered a complement to the former. When my last annual report was written I was hopeful that both laws would be adopted at the succeeding session of the legislature, but a strong spirit of opposition was developed among the members of the house of delegates, and under the circumstances it was deemed advisable not to pass the laws in the executive council. The two bills were permitted to remain in committee without report. I am still strongly of the opinion that a reform in our land laws is needed. It is true in some respects the present system is better than that in force in many of the States of the Union, but, nevertheless, our system does not afford any more protection to land tenures than is found in the ordinary systems now existing in the States, and ours is by far the most expensive. The superiority of the Torrens system of land registration lies in the security it gives to titles and in the very simple and inexpensive method of transferring property rights on the records afforded by it.

But, whatever be the opposition which may be urged to the adoption of the Torrens law in the island, surely no one can interpose a serious objection to a cadastral survey. It is an absolute necessity. It is needed to ascertain the quantity and location of public lands, so that they may be utilized for the public benefit. Private holdings of land are not sufficiently defined, and no accurate maps exist for any district of the island.

Fear prevails in some quarters that a cadastral survey would result in the government depriving private persons of their land. No person honestly in possession of real estate need have such fear. A cadastral survey would only result in the acquisition by the government of the lands rightfully belonging to the public. The citizen would be at all times amply protected in his honest holdings by the judiciary of the country. I would therefore respectfully recommend that the necessity of a cadastral survey be brought to the attention of the legislature at the next session.

PARDON MATTERS.

The practice of applying for pardons prevails in Porto Rico to an extent unknown in the States. The petitions for executive clemency, as a rule, are presented without proof or data of any kind to support the applicants' claims for pardon. The law makes it the duty of the attorney-general to investigate all pardon cases and to make a report to the governor thereon, and in making investigations the attorney-general is required to obtain from the courts and the authorities in charge of penal institutions the information necessary upon which to base his report. I am informed that the same practice prevailed

under the Spanish Government and was continued by the military authorities after the change of sovereignty. When the civil government was organized, it found the practice so firmly established that it has been followed to this day. It entails considerable work on the department of justice and the department of correction as well. Six hundred and forty-nine applications for pardon were presented to the governor during the last fiscal year. Of these, 103 were passed on favorably, 51 absolute pardons having been granted and 52 commutations. I respectfully submit that a rule should be established requiring the applicants for pardons to present all information upon which to base an investigation. It is well that the governor should have the services of the attorney-general in all such cases, to aid him in ascertaining the merits or want of merits of the application, but the insular treasury should be relieved of the expense now imposed on it by the present practice, which virtually requires the attorney-general to apply to all sources for information on behalf of the applicant, and to make every effort to develop a case favorable to him. The system should be changed by requiring the interested parties to bring the information to the attorney-general. If the applicants were required to bring forward the evidence to support their applications the petitions would not be so numerous. With rare exceptions those having meritorious cases always find friends to aid them to secure the necessary proof on which to base their applications. The law is binding on the attorney-general, and requires him to make the investigation when the case is referred to him by the governor. The latter may act in such matters, however, without referring the case to the attorney-general. His authority to grant pardons is derived from the organic act, and no limitations can be placed on it by the assembly.

I would respectfully recommend that a rule be established in conformity with the suggestions here made. If it is not deemed desirable to adopt rules by which applicants may be required to present evidence in support of their petitions under the present condition of the law, I would then suggest an amendment to the law by which the attorney-general would be relieved of the duty of investigating the cases for applicants unless expressly requested by the governor to do so. The law should be amended so as to give to the governor authority to call the attorney-general to his aid and to require him to perform such duties as the former might deem necessary in disposing of all applications for pardon. With the law so amended, rules could be adopted by which the present burdensome, and to a great extent unprofitable, system could be abolished, and the work would then be confined to cases duly presented and deserving of consideration.

COMMITTEE WORK.

The attorney-general is the chairman of the judiciary committee and of the committee on franchises, privileges, and concessions of the executive council. Both of these committees meet in the office of the attorney-general, and, as chairman, the duty devolves upon him to preserve the minutes and records of both committees, conduct all their correspondence, and write their reports to the executive council.

The work of the committee on franchises, privileges, and concessions has assumed large proportions. The matters brought before it

during the last year far exceed those of any year previous. The increase of the business before the committee is due to the great development now going on in the commerce and industry of the island. Franchises for building railroads, wharves, and other public utilities are being applied for to a greater extent than ever before in the history of Porto Rico. The work of investigating the merits of the applications for franchises devolves on the committee, and its recommendations, with rare exceptions, are approved by the executive council.

During the past year the committee had also under consideration the question of transportation charges and the regulation of the instrumentalities of commerce in general. The great increase in freight movement has called for action from the executive council in the interest of the public, to prevent discrimination in freight charges and in the accommodations given to shippers. The committee has the matter under investigation, not having been able to finish the work before the end of the fiscal year. I have already said that the committee holds its sessions in the office of the attorney-general, and that he, as the chairman, conducts all its correspondence. This correspondence is not included in the regular departmental work, and is of considerable volume. No aid is furnished by the executive council in connection with the committee work; the attorney-general utilizes the personnel of his office for that purpose. Matters relating to the executive council are not, strictly speaking, within the subjects of the attorney-general's report, yet the increase in the business coming before the franchise committee has added so much to the work of this office that I deemed it proper to make note of it here.

I beg to remain, respectfully,

FRANK FENILLE,
Attorney-General.

Hon. BEEKMAN WINTHROP,
Governor of Porto Rico,
San Juan, P. R.

Business transacted by the supreme court of Porto Rico during fiscal year 1905–6.

Classification of cases.	Pending July 1, 1905.	Received during year 1905–6.	Disposed of.	Cases pending on July 1, 1906.
Civil business:				
Civil	75	108	141	42
Mandamus	1	6	7	.....
Certiorari	2	25	26	1
Administrative	.....	17	17	.....
Criminal business:				
Criminal	26	81	95	12
Habeas corpus	.....	13	13	.....
Total	104	250	299	55

Business transacted in the district courts of Porto Rico during fiscal year 1905–6.

CIVIL BUSINESS.

District courts.	Pending July 1, 1905.	Received during 1905–6.	Disposed of.	Pending July 1, 1906.	Appeals taken.
Aguadilla	23	190	182	31	15
Arecibo	151	233	154	230	30
Guayama	47	192	179	60	4
Humacao	67	252	215	104	7
Mayaguez	236	379	374	241	22
Ponce	196	329	308	217	9
San Juan	265	571	455	381	40
Total	985	2,146	1,867	1,264	127

CRIMINAL BUSINESS.

District courts.	Pending July 1, 1905.	Received during 1905–6.	Disposed of.	Pending July 1, 1906.	Appeals taken.	Convictions.	Acquittals.	Jury trials.	
								1904–5.	1905–6.
Aguadilla	24	46	70	.....	1	35	35	56	61
Arecibo	25	93	98	20	42	53	45	75	44
Guayama	4	301	283	22	9	85	31	25	44
Humacao	20	111	115	16	8	80	35	83	41
Mayaguez	35	182	162	55	8	106	56	52	43
Ponce	106	392	410	88	3	291	80	12	36
San Juan	57	199	220	36	12	118	62	49	74
Total	271	1,324	1,358	237	83	768	344	352	343

Business transacted by the municipal courts of Porto Rico during fiscal year 1905–6.

CIVIL BUSINESS.

Municipal courts.	Pending July 1, 1905.	Received during 1905–6.	Disposed of.	Pending July 1, 1906.	Appeals taken.
Aguadilla	9	50	46	13	9
Añasco	9	90	41	58	5
Arecibo	37	63	72	34	2
Barros	5	7	9	3	1
Bayamon	55	71	32	94	6
Cabo Rojo	.....	57	54	3	3
Caguas	10	152	123	39	8
Carolina	11	70	52	29	3
Cayey	2	40	30	12	1
Coamo	10	76	62	24	5
Fajardo	3	55	43	25	3
Guayama	33	102	89	46	4
Humacao	10	99	73	36	9
Lares	22	96	84	33	10
Manati	23	131	94	60	6
Mayaguez	35	198	219	14	22
Ponce	133	207	287	53	9
San Germán	19	101	94	26	6
San Juan	46	688	734	.....	32
San Lorenzo	16	82	37	61	3
Utuado	13	86	93	6	5
Vega Baja	3	14	8	9	1
Yabucoa	7	64	42	29	8
Yauco	30	59	62	27	4
Total	541	2,656	2,480	734	165

Business transacted by the municipal courts of Porto Rico during fiscal year 1905–6— Continued.

CRIMINAL BUSINESS.

Municipal courts.	Pending July 1, 1905.	Received during 1905–1906.	Disposed of.	Pending July 1, 1906.	Appeals taken.	Number of convictions.	Number of acquittals.
Aguadilla	48	1,014	1,014	48	14	579	412
Añasco	7	567	547	27	48	357	190
Arecibo	10	1,088	1,095	3	9	815	230
Barros	11	297	291	17	.....	193	94
Bayamon	24	776	776	24	6	528	248
Cabo Rojo	.....	381	358	23	3	188	157
Caguas	30	1,254	1,218	66	4	741	477
Carolina	41	889	930	.....	11	594	336
Cayey	62	742	682	122	10	433	249
Coamo	41	808	792	57	10	531	230
Fajardo	41	839	838	42	7	456	296
Guayama	62	1,363	1,361	64	15	803	477
Humacao	19	1,683	1,590	112	2	1,149	441
Lares	62	597	647	12	8	291	259
Manati	37	1,026	1,040	23	17	667	373
Mayaguez	5	993	998	.....	20	723	184
Ponce	369	2,421	2,391	399	70	1,536	434
San German	1	430	407	24	25	168	116
San Juan	20	1,361	1,371	10	31	944	338
San Lorenzo	56	880	885	51	8	449	387
Utuado	82	1,010	1,070	22	5	433	555
Vega Baja	52	538	558	32	2	342	216
Yabucoa	39	701	710	30	1	427	189
Yauco	75	1,490	1,341	224	11	774	290
Total	1,194	23,148	22,910	1,432	337	14,121	7,178

Jury trials for fiscal year 1905–6 in the district courts of Porto Rico.

	Convictions.	Mistrials.	Acquittals.
Aguadilla	26	.....	35
Arecibo	24	.....	20
Guayama	25	7	12
Humacao	23	.....	10
Mayaguez	23	.....	20
Ponce	16	.....	24
San Juan	45	.....	29
Total	182	.....	150

Felony cases tried for years 1904–5 and 1905–6 in the district courts of Porto Rico.

	Fiscal year 1904–5.						Fiscal year 1905–6.					
	Filed.	Jury trials.	Convictions.	Acquittals.	Homicides.	Murders.	Filed.	Jury trials.	Convictions.	Acquittals.	Homicides.	Murders.
Aguadilla	188	56	36	20	2	2	46	61	26	35	1	1
Arecibo	181	75	32	43	0	1	93	44	24	20	3	0
Guayama	103	25	15	8	3	4	251	[a]44	25	12	4	3
Humacao	154	60	37	23	8	4	111	33	23	10	10	1
Mayaguez	93	58	21	37	5	5	61	43	23	20	2	3
Ponce	240	12	5	6	0	3	297	40	16	24	6	2
San Juan	127	48	31	17	20	9	74	74	45	29	13	0
Total	1,086	334	177	154	38	28	933	339	182	150	39	10

[a] 7 mistrials.

Exhibit C.

REPORT OF THE TREASURER OF PORTO RICO.

Treasury Department of Porto Rico,
Office of the Treasurer,
San Juan, July 1, 1906.

Sir: I have the honor to make the following report of the operations of the treasury department of Porto Rico for the fiscal year ending June 30, 1906:

INSULAR FINANCES.

From the financial standpoint the fiscal year 1905–6 has been the most favorable one since the organization of civil government. This has been due to the excellent results given by the excise portion of the revenue law as revised in 1905, to the economy displayed in the voting of appropriations by the insular legislature, and to the very marked improvement in the industrial and commercial conditions of the island, the effect of which latter can be seen in the increased revenues obtained from almost every source. Appended to this report are the usual tables, giving in detail the receipts of the insular government from all sources. These tables in great part cover not only the last but preceding fiscal years, and thus make it possible to follow the movement of receipts, by sources, from year to year and month to month.

The following statement shows the amount of money in the custody of the treasurer on June 30, 1906, and the institutions in which it was deposited, also the amount due from municipalities and school boards, on account of loans made to them from the insular treasury:

To the credit of insular revenues	$405,215.18
To the credit of trust funds	213,091.23
Total	618,306.41
Deposited with:	
American Colonial Bank of Porto Rico	368,306.41
First National Bank of Porto Rico	200,000.00
Banco Territorial y Agricola de Puerto Rico	50,000.00
Total	618,306.41
Due from municipalities and school boards on account of loans made to them	157,263.55

From this statement it will be seen that on June 30, 1906, there was in the possession of the treasurer of Porto Rico a total of $618,306.41. Of this amount $405,215.18 stood on the books to the credit of insular revenues. Of this amount, however, a certain portion did not constitute insular funds, properly speaking, as included in it are receipts from property taxes collected by the insular treasury on behalf of

the municipalities and school boards which, at the time the books were closed, on June 30, had not been paid to those bodies. If the amount thus due the municipalities and school boards is deducted from the item "funds standing to the credit of insular revenues" and is added to the item "trust funds," which represents funds not available for insular expenditures proper, the account would stand as follows:

Cash available for insular expenditures	$370,758.93
Trust funds	247,547.48
Total	618,306.41

The real cash balance of the insular treasury on June 30, 1906, was therefore $370,758.93. To obtain the assets of the insular treasury on that date, however, there should be added to this sum the amount due from municipalities and school boards on account of loans made to them from the insular treasury. This amount constitutes a real asset of the treasury, since it is all repayable by the municipalities and school board in annual installments running for short periods of years, and such repayment is absolutely secured, as the insular government collects the general property tax for these bodies and, according to the provisions of the contract under which the advances have been made, the payment of the installments is made by the insular government retaining the necessary amount from such tax collections. On June 30, 1906, the amount due from these bodies on account of such loans was $157,263.55. Adding this to the real cash balance of the insular treasury, $370,758.93, it will be found that the insular treasury closed the fiscal year with a surplus of $528,022.48. The similar figure for June 30, 1905, was $500,604.23, and for June 30, 1904, $332,695.87.

This showing is a remarkably favorable one if consideration is taken of the fact that the act of March 9, 1905, revising the excise features of the general revenue law provided that the increased rate of taxes should not go into effect until July 1 following, and that, consequently, during the period elapsing from the passage of the act to the latter date the manufacturers of liquors and cigars took advantage of this provision and manufactured and paid the tax on as large a product as possible. The result was that at least $300,000 was received during the last three months of the fiscal year 1904–5 which ordinarily would have been received during the fiscal year 1905–6. But for this the receipts of the fiscal year 1905–6 would have exceeded expenditures by from $300,000 to $350,000.

Table No. 1, appended to this report, gives a consolidated statement of the balances on hand, payments made to and expenditures made from the insular treasury from month to month.

As is well known, the insular treasury, in addition to collecting the revenues of the insular government, also acts as the agent of the municipalities and school boards for the collection of the quota of general property taxes apportioned to them. The receipts of the treasury are also swelled by repayments, transfers, the deposit of cash bonds, and other transactions. The result of this is that the figures showing the payments made to the insular treasury give no information relative to the actual income of the insular government proper. In tables Nos. 2 and 3 the effort has been made to eliminate

all receipts of the treasury not constituting insular income proper, and thus to present a showing of the actual net income of the insular government, from which its expenditures have to be met. The preparation of this table has been an exceedingly difficult one, on account of the various complications resulting from changes in the methods of bookkeeping rendered necessary by changes in legislation, repayments, refunds, transfers, and the like. Thus, for example, during certain years receipts from the insular telegraph service and from harbor and dock fees were covered into the treasury as special trust-fund receipts, and expenditures were then made for these two services from such receipts, while in other years such receipts were covered directly into the treasury and provision was made for the support of the services by appropriation in the ordinary way. It is believed, however, that success has been attained in the preparation of these tables and that they represent a correct showing of insular receipts for the five fiscal years 1901–2 to 1905–6. Table No. 3 only covers the four years from 1902–3 to 1905–6, because prior to July 1, 1902, the accounts of the government were kept in such a way that it was a practically impossible task to itemize the payments made to the treasury in the form of miscellaneous payments. These two tables are presented in a slightly different form from that of corresponding tables given in preceding reports, and one or two slight errors that crept into the earlier tables have been corrected.

If these two tables are examined it will be found that practically every source of income of the insular government was more productive during the fiscal year 1905–6 than during any preceding year. The only exception to this is that of receipts from excise-stamp sales, which amounted to only $1,420,696.90, as against $1,505,464.13 in the fiscal year 1905–6. The reason for this difference has already been explained and consists in the fact that during the months of March, April, May, and June of 1905 manufacturers of liquors and cigars, in order to avoid the higher rate going into effect on July 1, paid taxes to the amount of over $300,000 on products which ordinarily would have been manufactured in the fiscal year 1905–6, and that year, consequently, would have received the credit for the taxes paid upon them. This can plainly be seen from the very high receipts obtained from excise-stamp sales during the months of March, April, May, and June of 1905 and the very low receipts obtained during the first few months of the fiscal year 1905–6. Making due allowance for this, it will be seen that the excise portion of the revenue law in its new form is productive of at least $300,000 more revenue than was obtained under the law as it previously stood. One of the most gratifying features of this change is that not only have expectations relative to the increased receipts to be obtained been more than justified, but that in consequence of the changes made in the administrative features of the law it has been possible to obtain this increased revenue with far less friction than was encountered in securing the smaller revenue in the past. The department is now able to maintain such a rigid supervision and control over the manufacture of alcoholic liquors that it is exceedingly difficult for a manufacturer to commit fraud, and the department believes that practically no rum or other alcoholic liquor is now manufactured that does not pay the tax.

The system of having taxes upon cigars paid by the affixture of stamps to the package has also worked well in practice. Receipts

from cigars during the fiscal year 1905–6 amounted to $128,722.15, as against $199,665.07. As the change in the rate on cigars was only from $1.80 to $2 per thousand, and every effort, as described above, was made to take advantage of the lower rate prior to the going into effect of the higher rate, this increase of over $19,000 must be very largely attributed to the increased extent to which the department under the new system has been able to prevent the sale of contraband cigars. Owing to the widespread extent of the tobacco industry, and the extent to which cigars are made in small establishments, the department is unable with the force at its disposal entirely to prevent the sale of cigars that have not paid the tax. There is a tendency, however, for the tobacco industry to become concentrated in fewer hands, and with this concentration, and the increased experience of the treasury agents, it is believed that the amount of cigars illicitly manufactured and sold is being steadily diminished.

Turning to other items, it will be seen that the insular government receved $199,226.21 from its quota of the general property tax, as against $178,811.15 received during the fiscal year ending June 30, 1905. This results partly from the increase in the actual value of property as assessed for taxation, but chiefly from the greater extent to which the taxpayers have been able to pay their taxes promptly. In no respect has the increased prosperity of the island been more apparent than in the greater ease with which the property taxes, not only for the current fiscal year, but for prior years that were delinquent, have been collected. Receipts from inheritance taxes increased from $13,778.18 to $14,413.68; from the taxes on insurance premiums, from $10,160.14 to $12,070.32; and from miscellaneous receipts, from $153,711.57 to $192,035.83. As regards the latter, attention should be especially directed to the improved showing of the insular telegraph service, the increase in receipts from that service being from $34,091.22 in 1904–5 to $52,075.84 in 1905–6.

But few matters of importance have arisen during the year affecting the administration of the affairs coming under the jurisdiction of the treasury department. The work of assessing new property, revising the assessments of property already assessed, the correction of the tax rolls so as to take account of such changed assessments and the changes that have taken place in the ownership of real property, has been carried on with especial absence of trouble and of friction with or complaints on the part of tax payers. In but a very small percentage of cases have appeals been made from the action of assessors to the board of review and equalization. The latter body was thus able to hear all persons desiring to appear before the board personally and to pass upon all appeals made to it in six days of actual session. The government was fortunate in again having the services of Mr. Carlos Cabrera, who has been a member since its organization and is thus thoroughly familiar with the procedure to be followed and the position taken by the board in the past. Mr. Francisco de P. Acuña, who served as the other appointed member of the board during the fiscal year 1904–5, was unable to continue on the board owing to his absence from the island. His place was filled by Mr. Luis Toro, who brought to the board an exceptionable knowledge of property values on the island.

On the other hand, the administration of the service of tax collection has given rise to a great many questions difficult of solution growing

out of the attempt to enforce the payment of delinquent taxes through attachment proceedings. The greater number of these are due to the defective system of land titles in the island, the extent to which land is jointly owned, and the consequent impossibility for the department in all cases to assess the land to the true owner. The failure to do this is not known until attachment proceedings are instituted, and then it is difficult to correct the error. The satisfactory adjustment of these questions is rendered especially complicated by a conflict which exists between the provisions of the general revenue law relative to the extent to which taxes shall constitute a lien upon real estate and a provision of the Civil Code relative to preferred liens. The intent of the former is to make all taxes upon real property a lien upon the property against which they are assessed until they are paid. The provision of the Civil Code that has been referred to, however, following the provisions of the old Spanish law, limits such lien where the property is transferred to another person to the taxes due for the last fiscal year. Under this provision a person can relieve a property of all taxes, except those for the las year, by having the title to it transfered to another person. It happened that the act adopting the Civil Code was approved on the same date as the last general revision of the property-tax law, and the attorney-general of Porto Rico has ruled that it, rather than the provisions of the revenue law should govern. The effort was made at the last session of the legislature to have this unfortunate provision of the Civil Code changed and also to modify certain provisions of the general revenue law so as to make more clear the authority of the treasurer to reassess for past fiscal years property that had failed of assessment or in the assessment of which some error had been commited. Unfortunately, however, success was not obtained in this effort. It is believed that this whole question of the proper assessment of taxes upon property, as well as the whole vexed question of land titles and boundaries, can not be settled with complete satisfaction until the island is prepared to adopt the system of land registration modeled on that known as the Torrens land registration system, and authorize the execution of a

The only act of the legslature affecting in any important particular the financial policy or affairs of the insular government during the year was that authorizing the sale by the insular government of bonds to the amount of $1,000,000, the proceeds of which should be devoted to the continuation of the work of constructing roads throughout the island. The act authorizing the sale of these bonds provides that they shall bear interest at the rate of 4 per cent, shall be sold at not less than par, and shall run for a period of not to exceed twenty years. The act directs the collection of a special tax upon property of one-tenth of 1 per cent, for the purpose of realizing funds with which to meet the interest on the bonds as it falls due and the payment of the bonds upon their maturity, Steps have been taken looking to the sale of these bonds, and it is probable that they will be completed sometime during the fall of 1906, in which case the bonds will be dated January 1, 1907. In view of the fact that the insular government now has no indebtedness, that its receipts in the past have exceeded its expenditures, and that its available resources have steadily increased from year to year, it is confidently expected that it will be possible to sell these bonds on very favorable terms.

MUNICIPAL FINANCES.

The steady improvement in the financial condition of the municipalities of the island, as shown by the tables appended to this report giving the receipts and expenditures of the municipalities in detail and the amount of their outstanding obligations at the close of the fiscal year, is no less gratifying than the favorable showing of insular finances. In no year have the municipalities made a more marked progress than in the year to which this report relates. This is shown in the steadily increasing income received by the municipalities, in the greater care shown by these bodies in the preparation of their budgets to keep their expenditures within their available income, and in the consequently steady reduction that they have been able to make in the amount of their outstanding indebtedness. A study of the table giving the expenditures of the municipalities in detail during the fiscal year, in comparison with the similar table for prior fiscal years contained in the preceding reports of the treasurer of Porto Rico, shows also that not only are the municipalities, to a constantly increasing extent, keeping the total of their appropriations within their resources, but that the money that is expended is being more and more applied to purposes of direct public utility, such as education, the construction of waterworks, markets, slaughter houses, and other public buildings, public-health services, etc.

In the four years since the system of uniform accounting and reporting to the treasurer of Porto Rico has been in force the available income of the municipalities has increased by nearly half a million dollars. The actual receipts of all the municipalities during the fiscal years 1902–3 to 1905–6, inclusive, were as follows:

1902–3	$1,113,237.35
1903–4	1,139,364.70
1904–5	1,338,045.48
1905–6	1,606,983.10

These figures are exclusive of the amounts received by the municipalities in the way of loans from the insular treasury. It will be seen that the increase in receipts was especially great during the year just closed, such increase amounting to $268,937.62. The increased receipts obtained from the general property tax are responsible for the greater part of this increase, although the municipalities received a larger income in 1905–6 than in the preceding year from almost every one of their sources of income.

The financial progress of the municipalities, however, is probably best shown by the table giving the amount of their floating indebtedness and their total indebtedness of all kinds at the end of each fiscal year. As regards the first it will be seen that the floating indebtedness of the municipalities, which on June 30, 1901, amounted to $501,128.15, on June 30, 1906, amounted to only $77,879.31, a reduction during the year of $63,547.15. If the record of the individual municipalities be studied, it will be seen that with few exceptions all succeeded in reducing their floating indebtedness to a greater or less extent. Twenty-five municipalities closed the year with no outstanding floating indebtedness, and seven others had an indebtedness of less than $100 each, which for the most part represented merely bills outstanding that had not actually been paid when the books were closed. The total indebtedness of the municipalities of

all character, including under this head the amounts still due on account of certificates of indebtedness outstanding, loans made to them from the insular treasury, and floating obligations, less cash on hand, amounted on June 30, 1906, to $170,661.68. The corresponding figure for June 30, 1905, was $211,910.72. This showing is even more favorable than would appear from a comparison of these figures, because account should be taken of the fact that the obligations outstanding on account of loans received from the insular treasury during the fiscal year 1905–6 represent obligations incurred for the execution of public works to a much greater extent than was the case during the preceding fiscal year.

The policy of making advances to the municipalities and school boards from the insular treasury, repayable in annual installments, that was inaugurated during the fiscal year 1904–5, has been continued during the fiscal year 1905–6 with excellent results. Not only has it permitted those municipalities that were burdened with heavier outstanding obligations than they were able to meet in a single year to get upon a footing where they can meet their obligations as they fall due, but it has permitted a large number of municipalities and school boards to provide for public works of importance that otherwise it would have been impossible for them to have undertaken. These public works consist for the most part in the construction of aqueducts and waterworks in the populated centers, the erection of city halls, markets, slaughterhouses, schoolhouses, and the like. The cost of these works, on the one hand, is greater than can possibly be met by the municipalities and school boards from their incomes for a single fiscal year; and, on the other, are too small to warrant the incurring of a bonded indebtedness. But for the policy of making these loans, therefore, it would be impossible for these very necessary works of public improvement to be undertaken. Tables Nos. 12 and 13 give a list of all of the loans of this character that have been made up to June 30, 1906, indicating in each case whether the loan was for the payment of indebtedness or the execution of public improvements, its amount, and the balance outstanding on June 30, 1906. It will be seen from these tables that loans have been made to municipalities to the amount of $185,961.82, and to school boards to the amount of $52,492.33, or a total to the two classes of bodies of $238,454.15. Of this amount, however, $61,593.06 has been repaid by the municipalities and $19,597.54 by the school boards, or a total of $81,190.60, thus leaving outstanding and due on June 30, 1906, from the municipalities $124,368.76 and from the school boards $32,894.79, or a total of $157,263.55. It should especially be noted that, while the loans made during the fiscal year 1904–5 were, for the most part, to enable the municipalities and school boards to fund their floating indebtedness, those made during the fiscal year 1905–6 were chiefly for works of public improvement. To a very considerable extent these public improvements are of a productive character, with the result that the municipalities will not only obtain the improvements, but will have their sources of income increased; or, what amounts to the same thing, in the case of the school boards will be relieved from the payment of rent by making use of school buildings constructed out of the proceeds of the loans.

In concluding this account of the finances of the municipalities, it is of interest to note that the four municipalities of San Juan, Ponce,

Mayaguez, and Arecibo, that incurred bonded indebtedness on January 1, 1902, to a total amount of $1,100,000, have been able to meet all of their obligations relative to the prompt payment of interest on such indebtedness and the annual deposits required to be made to their respective sinking funds for the extinguishment of the debt upon its maturity. A total of $200,000 has thus been set aside by the municipalities for the extinguishment of their bonded indebtedness. After making such payments, and meeting the interest charges as they accrued, the four municipalities had, on June 30, 1906, balances on hand with which to meet such charges in the future of $28,029.44, in the case of San Juan; $11,810.78, in the case of Ponce; $9,240.21, in the case of Mayaguez; and $7,299.11, in the case of Arecibo. The money standing to the credit of the sinking funds is deposited with the American Colonial Bank of Porto Rico, as custodian of such funds, and earns interest at the rate of 3.3 per cent per annum, compounded semiannually.

The general municipal law of the island was thoroughly revised by an act approved March 8, 1906. This law makes a number of important changes respecting the financial powers and duties of the municipalities. The more important of these are as follows:

Under the old law municipalities were authorized to levy special industrial and commercial license taxes upon receiving the approval of the executive council. This system not only imposed a heavy burden of work upon the executive council, but represented a restriction upon the powers of the municipalities that was very irksome to them, and further resulted in license taxes lacking uniformity or corresponding in all cases to the relative conditions of the different municipal districts. The new law authorizes the municipalities to impose such taxes without the necessity of having such action approved by the executive council, but such taxes must not exceed the amounts fixed in a schedule incorporated in the law. This schedule of maximum license taxes which may be imposed by the municipalities was prepared with the greatest care, special account being taken of the general practice of the municipalities in former years, and special care being taken that such maximum rates should not exceed those that had been approved by the executive council in the past. In this schedule the municipalities are divided into two classes, according to their importance, a higher rate being permitted in the case of municipalities coming under the first class than in those coming under the second class.

A second important change made by the new law was that relative to the conditions to be observed by the municipalities in the preparation of their annual budget of receipts and expenditures. As has been repeatedly pointed out in preceding reports, the greatest obstacle to sound financial administration on the part of the municipalities has been their proneness to overestimate their receipts, and consequently to make appropriations in excess of the incomes that will actually be available with which to meet them. Although, as is shown in the tables giving the financial operations of the municipalities, steady progress has been made in this respect, nevertheless it was believed that the law itself should make it impossible for a municipality to vote money in excess of its income or to fail to make due provision for the payment of all of its obligations. These considerations are met in the new law by the provisions that each

municipality in framing its budget shall first make provision for the meeting of all outstanding obligations of every description, and that no municipality shall make appropriations for a fiscal year in an amount in excess of twice its actual receipts from current income during the first six months of the preceding fiscal year plus the amount of any surplus that it might have had on hand at the beginning of such preceding fiscal year over and above obligations then outstanding. Provision is made for the enforcement of these provisions by the power given to the attorney-general of Porto Rico, upon the matter being brought to his attention by the treasurer of Porto Rico or in any other way, to apply to the proper district court for a mandamus to compel any delinquent municipality to comply with all of the obligations in this or any other respect imposed upon it by law.

A change was also made in respect to the procedure to be followed in the preparation and voting of budgets. Under the law as it previously stood the alcalde prepared the budget and submitted it to the municipal council for the latter's approval. Under the new law the alcalde merely draws up an estimate of receipts and expenditures, which he submits to the municipal council for the latter's information, and the budget itself is prepared by that body. With this estimate the alcalde must also submit a statement showing in detail the receipts of the municipality from all sources during the preceding fiscal year and during the first six months of the current fiscal year, together with a statement showing in detail the expenditures of the municipality during the preceding fiscal year. The municipal council thus has before it all of the data and information upon which to base intelligent action. The budget as at first prepared by the municipal council must be posted for public inspection in a conspicuous place in the city hall for a period of ten days, in order that any person may make objection thereto in writing to the council. After the expiration of this period the municipal council must again consider the budget in connection with any objections that may have been made to it, and as thus framed send it to the alcalde for his approval. The alcalde must approve such budget, unless he thinks that the laws of Porto Rico have been violated thereby or that the expenditures proposed exceed the probable receipts of the municipality, in either of which cases he must return the budget to the municipal council with a statement of his objections. The municipal council may agree to the objections of the alcalde and modify the budget accordingly, or it may pass the budget over the objections of the alcalde, provided that two-thirds of the entire membership of such council vote for such passage. If such budget, however, is contrary to law the attorney-general can compel its modification, as above described.

The effort was also made to provide against the possible contingency of a municipality becoming unable to meet its financial obligations as the result of public disasters or for other reasons. In such cases it is provided that the municipal council may, by ordinance duly enacted, apply to the governor of Porto Rico for the appointment of a receiver for the municipality, which receiver, upon his appointment, is authorized to administer the affairs of the municipality under the general direction of the executive council of Porto Rico until such time as the municipality is in a position properly to

provide for all of its obligations. Upon the failure of the municipal council to take action similar action may be made by a majority of the resident taxpayers upon property in the municipality. It is extremely unlikely that resort will have to be had to this provision in other than exceptional cases.

One of the most important provisions of the new law was that abolishing the existing boards of road supervisors. The system of road districts was created by act of March 1, 1902, which provided for the division of the island into seven road districts corresponding to the seven election districts, and the election in each, at the time of the regular biennial elections, of a board of road supervisors. This act, as subsequently amended, provided that 8 per cent of all collections on account of general-property taxes assigned to municipalities should be paid over to such boards. The theory on which this system was created was that it would be possible to secure as members of the board prominent taxpayers and landowners who would be in a position and be willing to devote themselves to the work of road improvement to a greater extent than could be expected of the municipal councils, and that also roads running through more than one municipality could be better provided for. The act, however, worked badly from the start. It necessitated the creation of a special machinery, the expenses of which absorbed a considerable portion of the revenues of the boards. It at the same time weakened the powers and responsibilities of the municipalities. Constant friction also resulted in the selection of roads to be improved, it being claimed by many municipalities that other municipalities received a more than proportionate part of the benefit of the funds expended. In view of these facts a provision was inserted in the municipal law ordering the abolition of the boards on and after July 1, 1906, and providing that the affairs of the old boards should be wound up and their outstanding resources and obligations apportioned among the respective municipalities. In abolishing these boards, however, the legislature desired to retain the obligation that municipalities should devote a portion of their income to road improvement work. It accordingly provided in the new law that the 8 per cent of the general-property taxes formerly going to the road districts should be covered by each municipality into a special fund to be known as "road fund," and that the amounts so credited to these funds should be available only for the construction and repair of municipal roads outside of the urban portions of the municipalities.

In pursuance of the provisions of law relative to this matter steps were immediately taken by the treasury department looking to the examination and liquidation of the accounts of such boards. Tables Nos. 14 and 15 gives a summary of the financial operations of these boards since their organization to June 30, 1906, and a statement of their outstanding assets and liabilities on that date, which, according to the provisions of the law directing the winding up of the affairs of the boards, will be apportioned among the municipalities included within the respective road districts. The first of these two tables is an interesting one as showing at a glance the results of this experiment in local government. From it can be seen how badly the system worked in practice. The total receipts of the boards during the four years amounted to $220,889.55. Of this amount $45,892.24, or 20.78

per cent, went for salaries and office expenses. Although this is a very high percentage, the record would not be so bad if the $162,672.44, which according to the books was expended on the actual work of road construction and maintenance, had been wisely and economically expended. It is the general testimony, however, that this money was in great part so inefficiently expended that a very inadequate return was obtained in the way of permanent improvements to the municipal roads of the island. It is, of course, impossible to say whether the municipalities, that will now have the expenditure of these funds, will make such expenditures more wisely or not, but it is certain that the whole, or the greater part, of the money that went to the payment of salaries and office expenses of the late boards will be saved. There is a strong probability, however, that, in view of the new spirit now actuating the municipalities to make a good showing in the management of their affairs, and to devote as large a part as possible of their expenditures to works of public utility, a greater return will be received from the expenditure of these funds than was the case in the past.

The only change relative to the system of uniform municipal accounting and reporting that has been in force since July 1, 1902, was that providing that no change should be made in such system by the treasurer of Porto Rico without the approval of the executive council.

In concluding this report, I desire to express again my appreciation of the valuable services rendered by my chief assistants: Mr. Benjamin R. Dix, assistant treasurer; Mr. Clifford W. Perkins, chief of the bureau of accounts; Mr. Alfred Solomon, chief of the bureau of internal revenue; Mr. Andrew Holst, chief of the bureau of municipal finance; Mr. Thomas L. Jett, chief of the bureau of disbursements; Mr. David A. Skinner, chief of the division of assessments, and Mr. Ransom P. Nichols, chief of the division of property tax collections. The work of the department is so organized as to throw a large amount of responsibility upon these officers in the dispatch of the business, and the efficient manner in which they have performed their duties is chiefly responsible for the smooth working of the department and the absence of administrative difficulties that have marked the year just closed.

Respectfully,

W. F. Willoughby,
Treasurer.

Hon. Beekman Winthrop,
Governor of Porto Rico,
Government House, San Juan, P. R.

TABLE 1.—*Receipts and expenditures of the insular treasury, fiscal year 1905–6.*

Month.	Balance on hand at beginning of month.	Insular receipts.					Trust-fund receipts.	Total insular and trust-fund receipts.	Total, including balance on hand at beginning of month.
		Customs.	Internal revenue.	Miscellaneous.	Repayments.	Total.			
1905.									
July	$765,987.13	$27,010.00	$95,912.73	$23,356.65	$37,772.08	$184,051.46	$19,553.88	$203,605.34	$969,592.47
August	665,876.98	70,006.95	138,011.89	13,587.42	8,479.50	230,085.76	23,537.05	253,622.81	919,499.79
September	661,137.94	22,000.00	147,411.15	13,845.45	6,832.83	190,089.43	30,414.58	220,504.01	881,641.95
October	591,325.94	86,094.25	254,385.75	14,728.41	43,291.27	398,499.68	47,172.71	445,672.39	1,036,998.33
November	669,106.92	50,000.00	204,552.91	13,951.23	12,239.88	280,744.02	64,429.83	345,173.85	1,014,280.77
December	604,609.96	78,000.00	191,588.43	13,773.16	5,892.64	289,254.23	23,188.23	312,442.46	917,052.42
1906.									
January	553,506.82	83,000.00	258,337.10	20,741.86	11,869.97	373,948.93	23,869.71	397,818.64	951,325.46
February	632,813.56	63,000.00	321,116.72	15,974.63	6,315.38	406,406.73	53,274.31	459,681.04	1,092,494.60
March	763,043.59	60,000.00	240,629.45	17,927.36	4,875.58	323,432.39	19,417.06	342,849.45	1,105,893.04
April	677,914.84	67,000.00	211,088.05	22,689.58	5,686.44	306,464.07	19,555.35	326,019.42	1,003,934.26
May	634,616.97	55,000.00	204,779.78	12,099.69	21,175.99	293,055.46	24,019.72	317,075.18	951,692.15
June	662,633.71	55,000.00	176,905.55	14,396.47	22,867.85	269,169.87	18,504.91	287,674.78	950,308.49
Total		716,111.20	2,444,719.51	197,071.91	187,299.41	3,545,202.03	366,937.34	3,912,139.37	

Month.	Expenditures from—			Balance on hand at end of month.	Deposited with—			
	Insular revenues.	Trust funds.	Total.		American Colonial Bank.	Banco Territorial Agricola.	First National Bank.	Total.
1905.								
July	$257,596.12	$46,119.37	$303,715.49	$665,876.98	$415,876.98	$50,000.00	$200,000.00	$665,876.98
August	224,168.45	34,193.40	258,361.85	661,137.94	411,137.94	50,000.00	200,000.00	661,137.94
September	261,632.17	28,683.84	290,316.01	591,325.94	341,325.94	50,000.00	200,000.00	591,325.94
October	293,453.07	74,438.34	367,891.41	669,106.92	419,106.92	50,000.00	200,000.00	669,106.92
November	339,951.76	69,719.05	409,670.81	604,609.96	354,609.96	50,000.00	200,000.00	604,609.96
December	310,796.94	52,748.66	363,545.60	553,506.82	303,506.82	50,000.00	200,000.00	553,506.82
1906.								
January	281,788.73	36,723.17	318,511.90	632,813.56	382,813.56	50,000.00	200,000.00	632,813.56
February	303,550.13	25,900.88	329,451.01	763,043.59	513,043.59	50,000.00	200,000.00	763,043.59
March	386,545.29	41,432.91	427,978.20	677,914.84	427,914.84	50,000.00	200,000.00	677,914.84
April	333,306.10	36,011.19	369,317.29	634,616.97	384,616.97	50,000.00	200,000.00	634,616.97
May	265,778.05	23,280.39	289,058.44	662,633.71	412,633.71	50,000.00	200,000.00	662,633.71
June	279,050.45	23,284.97	302,335.42	647,973.07	397,973.07	50,000.00	200,000.00	647,973.07
Total	3,537,617.26	492,536.17	4,030,153.43					

TABLE NO. 2.—*Total receipts proper of the insular treasury, by main categories and months, from July 1, 1901, to June 30, 1906.*

Month.	Customs receipts.	Excise stamp sales.	Taxes accruing prior to July 1, 1901.	Property taxes accruing from July 1, 1901.	Inheritance tax.	3 per cent tax on insurance premiums.	Miscellaneous receipts.	Repayments.	Totals.	Totals not including repayments.
1901.										
July	$67,987.57	$68,064.51	$14,785.23	$17,687.66	.....	$1,373.48	$5,311.85	$18,082.72	$193,293.02	$175,210.30
August	50,000.00	67,751.54	12,811.74	106,713.66	$84.00	1,325.53	4,625.04	783.09	244,094.60	243,311.51
September	57,000.00	60,265.70	9,441.19	34,794.73	1,446.67	350.16	3,605.69	2,852.86	169,757.00	166,904.14
October	73,000.00	78,558.97	15,927.45	24,774.65	54.63	.....	4,888.84	693.96	197,898.50	197,204.54
November	85,000.00	74,789.25	17,241.09	19,111.64	.....	.....	4,051.07	1,476.38	201,669.43	200,193.05
December	125,000.00	82,712.51	11,966.56	18,505.81	135.00	.....	25,461.41	3,767.02	267,548.31	263,781.29
1902.										
January	40,000.00	97,764.99	4,255.68	28,467.81	6,420.26	2,354.04	6,178.78	459.89	185,901.45	185,441.56
February	60,000.00	78,600.60	4,781.38	65,373.27	45.30	30.24	3,593.72	108.00	212,532.51	212,424.51
March	115,260.46	82,243.97	4,420.84	68,313.96	349.37	.....	3,345.14	1,145.00	275,078.74	273,933.74
April	55,000.00	98,006.97	2,627.75	21,680.79	296.18	.....	5,617.17	.16	183,229.02	183,228.86
May	65,000.00	78,364.85	3,784.45	17,481.58	332.74	.....	4,897.24	412.61	170,273.47	169,860.86
June	55,010.27	78,397.04	3,268.38	7,058.60	508.92	432.46	6,960.70	1,492.17	153,128.54	151,636.37
Total	848,258.30	945,520.90	105,311.74	429,964.16	9,673.07	5,865.91	78,536.65	31,273.86	2,454,404.59	2,423,130.73
July	66,447.90	74,097.70	2,178.61	3,309.96	72.60	3,068.23	10,866.61	29,956.18	190,997.79	161,041.61
August	40,000.00	74,296.28	3,568.65	2,975.86	560.48	1,004.42	10,922.12	3,918.16	137,245.97	133,327.81
September	55,000.00	82,720.54	1,820.51	24,043.83	2,989.86	.....	5,283.36	1,960.03	173,818.13	171,858.10
October	90,000.00	108,709.01	1,630.33	80,994.86	578.31	156.13	7,317.17	35.76	289,421.57	289,385.81
November	70,000.00	82,830.33	5,884.46	35,089.56	127.66	.....	7,374.34	232.81	201,539.16	201,306.35
December	80,000.00	100,095.95	5,366.40	39,017.48	66.62	.....	7,729.64	9,870.11	242,146.20	232,276.09
1903.										
January	65,000.00	127,918.38	4,301.49	37,384.96	371.56	191.88	10,266.39	883.73	246,318.39	245,434.66
February	80,000.00	82,442.17	940.81	66,037.63	100.50	3,157.47	9,296.13	3,299.55	245,274.26	241,974.71
March	70,000.00	110,788.78	1,894.30	63,971.36	110.74	.....	10,410.57	67.20	257,242.95	257,175.75
April	50,000.00	108,814.37	49.63	32,196.83	4,168.14	.....	11,911.17	115,33	207,255.47	207,140.14
May	45,000.00	91,722.10	28.59	18,838.17	472.82	.....	10,952.46	149.16	167,163.30	167,014.14
June	60,000.00	84,454.34	2.27	12,184.72	126.95	201.74	8,842.86	955.82	166,768.70	165,812.88
Total	771,447.90	1,128,889.95	28,666.05	416,045.22	9,746.24	7,779.87	111,172.82	51,443.84	2,525,191.89	2,473,748.05
July	55,659.40	93,440.08	186.34	12,188.29	1,623.04	527.75	13,040.78	17,690.07	194,355.75	176,665.68
August	40,500.00	70,207.36	1.61	65,918.18	8.00	1,834.15	7,244.94	2,369.55	188,083.79	185,714.24
September	61,500.00	77,783.57	1.63	39,487.37	533.57	1,945.91	6,223.27	976.69	188,452.01	187,475.32
October	68,000.00	101,615.54	779.33	36,673.64	185.96	.....	8,146.38	4,551.00	219,951.85	215,400.85
November	55,000.16	88,947.06	25.87	58,982.12	57.77	169.86	9,126.46	241.30	212,550.60	212,309.30
December	81,006.40	90,041.89	.....	29,128.99	346.93	.....	7,777.55	398.75	208,700.51	208,301.76

TABLE NO. 2.—*Total receipts proper of the insular treasury, by main categories and months, from July 1, 1901, to June 30, 1906*—Continued.

Month.	Customs receipts.	Excise stamp sales.	Taxes accruing prior to July 1, 1901.	Property taxes accruing from July 1, 1901.	Inheritance tax.	3 per cent tax on insurance premiums.	Miscellaneous receipts.	Repayments.	Totals.	Totals not including repayments.
1904.										
January	$50,243.77	$107,163.23		$38,813.81	$185.51	$626.33	$10,533.73	$227.80	$207,794.18	$207,566.38
February	28,000.00	95,155.86	$3.37	91,549.14	2,116.62	1,149.95	9,524.57	196.00	227,695.51	227,499.51
March	40,000.00	97,993.56		42,465.79	1,325.22	2,131.62	7,442.48	8,442.69	199,801.36	191,358.67
April	49,000.00	111,685.46		25,760.81	1,200.35		10,207.18	520.75	198,374.55	197,853.80
May	42,000.00	87,055.74		21,729.84	380.45		12,536.12	1,014.98	164,717.13	163,702.15
June	61,000.00	84,980.43		14,733.34	711.35		10,693.19	11,583.76	183,702.07	172,118.31
Total	631,909.73	1,106,069.78	998.15	477,431.32	8,674.77	8,385.57	112,496.65	48,213.34	2,394,179.31	2,345,965.97
July	58,265.71	111,136.92		4,151.26	1,635.16	724.20	9,282.59	10,255.51	195,451.35	185,195.84
August	40,000.00	91,345.76		14,038.18	106.38	1,186.58	9,252.14	486.68	156,415.72	155,929.04
September	47,000.00	82,444.70		12,241.44	9.00	966.67	11,552.59	17,191.65	171,406.05	154,214.40
October	80,000.00	113,383.62		28,548.12	415.54	880.26	10,691.22	5,166.94	239,085.70	233,918.76
November	73,000.00	88,932.67		10,846.36	7.56		18,159.36	6,930.68	197,876.63	190,945.95
December	65,086.02	87,882.91		8,996.15	421.39		11,375.82	7,944.33	181,706.62	173,762.29
1905.										
January	40,000.00	125,469.10		12,930.03	3,190.03	3,044.60	10,528.81	608.21	195,770.78	195,162.57
February	60,097.25	94,613.40		35,576.02	1,561.18	443.66	13,315.80	998.09	206,605.40	205,607.31
March	55,000.00	128,647.49		20,310.01	2,564.59	2,914.17	15,625.36	2,502.11	227,563.73	225,061.62
April	36,112.00	148,241.12		11,136.26	1,103.31		17,387.69	6,391.24	220,371.62	213,980.38
May	57,000.00	151,722.39		11,882.10	577.93		13,347.20	5,361.05	239,890.67	234,529.62
June	46,786.69	281,644.05		8,155.22	2,186.11		13,192.99	41,696.65	393,661.71	351,965.06
Total	658,347.67	1,505,464.13		178,811.15	13,778.18	10,160.14	153,711.57	105,533.14	2,625,805.98	2,520,272.84
July	27,010.00	68,739.41		3,960.87	905.00	4,610.98	19,219.67	37,298.08	161,744.01	124,445.93
August	70,006.95	55,860.61		12,509.24	716.44	1,777.48	11,809.94	4,710.29	157,390.95	152,680.66
September	22,000.00	75,780.98		15,130.66	333.68	50.00	14,038.45	6,589.83	133,923.60	127,333.77
October	86,094.25	119,148.46		37,994.26	463.20		15,096.91	42,922.77	301,719.85	258,797.08
November	50,000.00	99,633.63		16,406.86	612.02		14,101.73	12,089.38	192,843.62	180,754.24
December	78,000.00	120,226.42		10,367.34	2,439.20	9.50	13,941.16	5,715.14	230,698.76	224,983.62
1906.										
January	83,000.00	166,490.11		30,552.96	159.93	3,698.10	17,358.76	5,249.77	306,509.63	301,259.86
February	63,000.00	121,291.92		30,949.71	7,102.45	299.40	16,011.73	5,978.88	244,634.09	238,655.21
March	60,000.00	146,651.90		18,277.37	485.03	1,624.86	16,613.00	4,565.08	248,217.24	243,652.16
April	67,000.00	156,396.41		9,313.87	1.60		23,028.58	5,347.44	261,087.90	255,740.46
May	55,000.00	155,200.26		7,425.01	360.68		12,351.19	20,924.49	251,261.63	230,337.14
June	55,000.00	135,276.79		6,338.06	834.45		18,464.71	18,799.61	234,713.62	215,914.01
Total	716,111.20	1,420,696.90		199,226.21	14,413.68	12,070.32	192,035.83	170,190.76	2,724,744.90	2,554,554.14

TABLE NO. 3.—*Receipts from miscellaneous sources, detailed by objects, by months, from July 1, 1902, to June 30, 1906.*

Month.	Insular telegraph.	Harbor and dock fees.	Interest on bank balances and loans to municipalities and school boards.	Franchises and royalties.	Licenses to foreign corporations.	Licenses to carry firearms.	Administrative fines and sale of confiscated goods.	Judicial fees and fines.	Rent of government property and censos.	Sale of government property, convict-labor, etc.	Rental on mines.	Fees for titles to miners.	Fees for examination of notaries, etc.	Pay patients insane asylum.	Other.	Total.
1902.																
July	$2,299.16	$1,564.71	$339.86	$811.40	$275.00	$580.00	$2,627.90	$222.70	.....	$819.07	$828.20	$24.00	$49.90	$30.00	$394.71	$10,866.61
August	2,261.79	3,367.11	567.15	.....	825.00	545.00	10.00	1,386.01	$287.35	342.74	201.99	38.40	3.05	105.00	981.53	10,922.12
September	2,018.05	1,077.96	591.17	.....	75.00	390.00	.....	264.80	307.32	193.89	84.90	.....	8.10	30.00	242.17	5,283.36
October	2,382.75	2,231.48	488.15	.....	50.00	530.00	10.00	690.80	.....	116.06	492.89	.....	9.79	30.00	285.25	7,317.17
November	3,078.08	1,480.13	626.47	.....	50.00	125.00	.....	834.52	150.00	873.98	75.55	.....	5.00	75.00	.61	7,374.34
December	2,231.79	2,192.82	719.08	300.00	.....	70.00	395.91	1,041.62	12.59	126.71	447.31	64.00	19.75	60.00	48.06	7,729.64
1903.																
January	2,417.91	2,086.83	1,051.09	658.19	.....	120.00	875.88	1,803.60	162.90	544.21	268.17	15.12	.....	30.00	232.49	10,266.39
February	2,418.04	1,417.33	932.35	.....	50.00	40.00	951.96	3,033.07	.....	104.06	180.26	6.30	24.35	135.00	3.41	9,296.13
March	2,522.94	2,239.30	970.11	857.99	25.00	20.00	375.01	2,023.62	26.56	279.60	43.70	30.00	8.70	75.00	913.04	10,410.57
April	2,654.41	2,001.72	601.76	30.00	.....	25.00	1,227.15	3,758.49	.....	107.28	455.20	7.20	70.30	270.00	702.66	11,911.17
May	2,507.83	2,225.02	908.52	87.37	.....	5.00	335.50	3,294.87	.....	322.18	42.75	.....	34.40	180.00	1,009.02	10,952.46
June	2,495.15	1,870.70	908.77	353.28	.....	.....	344.24	1,097.70	36.37	593.91	734.37	.....	.....	75.00	333.47	8,842.86
Total	29,287.90	23,755.11	8,704.48	3,098.23	1,350.00	2,450.00	7,153.55	19,451.70	983.09	4,423.69	3,855.29	185.02	233.34	1,095.00	5,146.42	111,172.82
July	2,271.58	2,204.23	556.67	2,014.07	1,300.00	585.00	144.34	2,624.83	134.71	524.02	295.00	27.00	.....	199.00	160.33	13,040.78
August	2,066.43	1,212.05	1,231.43	.....	25.00	16.00	9.02	616.73	209.40	915.95	386.38	87.60	.....	218.50	106.45	7,244.94
September	1,850.21	1,439.07	989.04	.....	.....	271.00	454.08	516.70	202.59	119.80	.....	.....	.....	165.00	215.78	6,223.27
October	2,058.78	1,614.02	1,073.90	240.00	25.00	125.00	479.95	629.70	23.37	108.89	1,519.80	.....	.....	120.00	127.97	8,146.38
November	2,741.94	1,877.20	928.43	1,695.92	50.00	40.00	248.91	751.31	401.17	67.58	50.57	.....	.....	153.00	120.43	9,126.46
December	2,369.15	2,193.23	892.22	.....	25.00	60.00	774.81	407.30	25.65	219.65	637.54	.....	.....	165.00	8.00	7,777.55
1904.																
January	2,860.69	1,876.34	798.84	991.72	150.00	25.00	598.56	2,167.34	185.63	732.32	59.28	.....	.....	75.00	13.01	10,533.73
February	2,650.85	1,578.50	689.01	1,929.49	25.00	45.00	919.07	1,197.30	139.90	41.50	.....	.....	.....	285.00	23.95	9,524.57
March	2,999.14	1,484.91	1,103.85	.....	.....	20.00	531.11	861.65	.....	203.22	57.60	.....	.....	179.00	2.00	7,442.48
April	2,492.84	2,151.53	1,184.50	379.54	.....	.....	1,282.13	2,030.69	173.90	188.00	141.68	.....	.....	.....	182.37	10,207.18
May	2,841.49	1,924.51	1,015.43	482.12	.....	15.00	1,184.86	2,416.02	41.80	2,533.50	7.15	.....	.....	60.00	14.24	12,536.12
June	2,976.14	1,813.46	918.47	843.34	.....	315.00	905.31	1,907.17	602.69	103.75	62.56	.....	.....	240.00	5.30	10,693.19
Total	30,179.24	21,369.05	11,381.79	8,576.20	1,600.00	1,661.00	7,532.15	16,126.74	2,140.81	5,758.18	3,217.56	114.60	.....	1,859.50	979.83	112,496.65

TABLE NO. 3.—*Receipts from miscellaneous sources, detailed by objects, by months, from July 1, 1902, to June 30, 1906*—Continued.

Month.	Insular telegraph.	Harbor and dock fees.	Interest on bank balances and loans to municipalities and school boards.	Franchises and royalties.	Licenses to foreign corporations.	Licenses to carry firearms.	Administrative fines and sale of confiscated goods.	Judicial fees and fines.	Rent of government property and censos.	Sale of government property, convict-labor, etc.	Rental on mines.	Fees for titles to miners.	Fees for examination of notaries, etc.	Pay patients insane asylum.	Other.	Total.
1904.																
July	$1,517.67	$2,366.74	$888.89	$990.61	$1,275.00	$315.00	$194.80	$1,078.28	$368.26	$3.20	$224.14	.....	.....	$60.00	.....	$9,282.59
August	2,682.97	1,588.48	865.77	.....	100.00	230.00	61.43	2,481.96	181.52	248.39	543.62	.....	$58.00	210.00	.....	9,252.14
September	2,395.70	1,664.62	853.68	384.71	.....	160.00	19.40	5,701.80	50.86	96.95	67.74	.....	82.13	75.00	.....	11,552.59
October	2,785.15	1,635.43	969.46	1,215.20	100.00	110.00	22.78	2,792.27	715.75	175.64	28.90	.....	14.14	126.50	.....	10,691.22
November	3,242,37	1,842.58	884.62	.....	100.00	.....	23.82	3,970.05	597.01	5,662.58	81.86	.....	1,560.91	15.00	$178.56	18,159.36
December	3,158.95	1,733.56	885.83	600.00	100.00	.....	198.65	4,591.16	15.12	.....	.....	.....	44.49	.....	48.06	11,375.82
1905.																
January	2,748.43	2,019.85	741.18	872.31	25.00	.....	20.92	3,416.74	123.98	49.68	144.82	.....	6.00	354.50	5.40	10,528.81
February	2,862.01	2,219.89	764.81	514.15	50.00	.....	47.99	6,179.88	46.51	205.11	126.00	.....	105.45	194.00	.....	13,215.80
March	3,130.79	2,130.99	929.78	100.00	50.00	.....	60.65	5,829.34	.....	122.10	462.97	.....	2,575.74	233.00	.....	15,625.36
April	3,438.02	2,080.88	1,181.25	453.39	75.00	.....	49.48	4,061.28	2,225.54	3,260.49	284.65	.....	5.21	272.50	.....	17,387.69
May	3,105.02	1,886.64	921.43	1,238.87	25.00	.....	52.40	5,689.14	120.00	104.45	.....	.....	65.75	138.50	.....	13,347.20
June	3,024.14	1,936.99	3,134.58	119.00	50.00	.....	45.70	4,661.45	117.82	25.62	.....	.....	77.69	.....	.....	13,192.99
Total	34,091.22	23,106.65	13,021.28	6,488.24	1,950.00	815.00	798.02	50,453.35	4,562.37	9,954.21	1,964.70	.....	4,595.51	1,679.00	232.02	153,711.57
July	4,526.58	2,338.95	1,011.06	1,705.64	325.00	.....	7.34	6,064.81	2,517.39	141.10	59.90	.....	47.90	474.00	.....	19,219.67
August	3,835.58	1,803.90	1,203.12	99.68	75.00	.....	23.13	4,142.31	283.74	4.00	295.36	.....	44.12	.....	.....	11,809.94
September	2,928.79	1,532.67	1,097.96	.....	1,375.00	.....	7.28	6,055.71	150.28	226.34	323.58	.....	97.84	243.00	.....	14,038.45
October	4,197.97	2,043.33	982.84	1,402.14	100.00	.....	32.18	4,682.89	577.55	234.42	454.90	.....	20.19	368.50	.....	15,096.91
November	4,197.77	1,787.91	877.60	.....	50.00	.....	8.32	6,555.60	12.59	327.34	129.60	.....	4.50	150.50	.....	14,101.73
December	3,990.86	2,479.06	899.85	.....	75.00	.....	19.92	5,918.20	191.54	85.33	.....	.....	55.84	177.50	48.06	13,941.16
1906.																
January	4,321.20	2,366.71	832.82	1,494.90	25.00	.....	9.58	6,924.10	934.39	116.23	.....	.....	18.83	315.00	.....	17,358.76
February	5,545.72	1,924.18	875.65	.....	50.00	.....	10.03	6,337.92	789.20	6.50	117.50	.....	18.53	336.50	.....	16,011.73
March	5,432.08	2,448.85	906.55	163.10	.....	.....	50.62	5,805.23	909.12	205.71	357.12	.....	49.12	285.50	.....	16,613.00
April	4,444.29	2,878.98	1,125.44	1,063.62	150.00	.....	18.99	12,664.22	133.89	95.95	52.16	.....	62.04	339.00	.....	23,028.58
May	4,709.73	2,853.86	1,005.36	900.00	50.00	.....	51.55	1,947.04	327.38	75.75	84.48	.....	.....	251.50	94.54	12,351.19
June	3,945.27	2,519.64	4,778.19	50.00	125.00	.....	5.41	6,277.40	279.45	53.45	38.40	.....	.....	369.00	23.50	18,464.71
Total	52,075.84	26,978.04	15,596.44	6,879.08	2,400.00	.....	244.35	73,375.43	7,106.52	1,572.12	1,913.00	.....	418.91	3,310.00	166.10	192,035.83

TABLE NO. 4.—*Receipts from excise-stamp sales, detailed by objects, by months, from February 1, 1901, to June 30, 1906.*

SCHEDULE A—EXCISE PROPER.

Month.	Distilled spirits.	Adulterated spirits, wine (domestic).	Beer.	Wine.	Champagne.	Total.	Cigarettes.	Cigars and manufactured tobacco.	Total.	Playing cards.	Medicinal preparations, perfumery.	Oleomargarine.	Arms and ammunition.	Matches.	Total.
1901.															
February	$9,009.28	$943.21	$1,139.10	$1,082.39	$39.00	$2,260.49	$6,412.00	$1,734.56	$8,146.56	.....	$298.66	$180.00	$100.56	$1,205.55	$22,144.31
March	13,500.09	1,080.09	1,614.07	686.55	41.00	2,341.62	11,216.80	1,808.46	13,085.26	$1.28	346.86	90.00	100.56	820.00	31,365.76
April	23,730.08	590.34	2,140.01	1,937.85	.....	4,077.86	13,229.80	3,584.21	16,814.01	.72	187.22	.....	51.02	1,230.12	46,687.37
May	22,356.27	934.42	2,171.96	1,377.75	5.00	3,554.71	15,208.40	4,284.43	19,492.83	1.20	212.64	.....	66.21	1,223.34	47,841.62
June	25,509.20	1,150.17	1,454.40	1,474.74	16.00	2,945.14	14,396.20	5,488.80	19,885.00	.96	377.41	96.00	131.42	613.45	48,708.75
Total	92,104.92	4,704.23	8,519.54	6,559.28	101.00	15,179.82	60,453.20	16,960.46	77,423.66	4.16	1,422.79	366.00	449.77	5,092.46	196,747.81
July	29,365.32	1,553.41	2,072.52	2,504.55	5.00	4,582.07	14,797.80	3,528.65	18,326.45	.48	295.29	.....	60.79	3,539.75	57,723.56
August	31,059.43	2,120.70	2,310.26	1,623.60	58.00	3,991.86	15,389.60	4,764.26	20,153.86	.72	296.16	.....	87.91	479.15	58,189.79
September	28,335.33	1,879.92	1,943.60	1,793.55	54.00	3,791.15	17,497.00	4,839.72	22,336.72	.....	282.24	.....	63.04	1,121.73	57,810.13
October	39,021.35	2,283.66	1,020.12	2,962.50	31.00	4,013.62	15,877.00	4,304.68	20,181.68	.....	357.20	.....	99.16	429.50	66,386.17
November	37,474.58	2,199.43	2,731.95	2,785.15	66.00	5,583.10	14,610.00	4,652.03	19,262.03	28.80	340.07	.....	108.21	1,306.00	66,302.22
December	47,328.68	3,186.77	3,201.30	2,138.66	71.00	5,410.96	15,759.40	4,584.92	20,344.32	31.68	371.08	.....	98.95	1,579.85	78,352.29
1902.															
January	39,577.61	2,535.04	3,372.60	2,900.58	44.00	6,317.18	18,635.00	6,568.21	25,203.21	8.05	446.13	.....	173.48	1,386.25	75,646.95
February	41,291.02	2,199.28	4,208.79	2,740.20	116.00	7,064.99	19,676.00	6,173.75	25,849.75	29.04	295.30	.....	156.23	1,274.00	78,159.61
March	41,208.99	2,780.63	3,228.57	2,658.65	146.00	6,033.22	18,743.60	5,774.48	24,518.08	.72	398.40	.....	152.98	1,727.20	76,820.22
April	42,611.12	2,894.31	4,640.33	2,237.25	84.00	6,961.58	22,273.82	6,895.26	29,169.08	.46	506.51	1.00	151.89	1,899.23	84,195.18
May	34,239.35	2,485.22	3,906.37	2,951.68	97.00	6,955.05	21,947.50	4,710.25	26,657.75	48.00	497.65	.....	404.76	1,981.50	73,269.28
June	36,936.35	2,288.35	4,252.00	2,800.63	36.00	7,148.63	19,664.25	4,302.02	23,966.27	.72	415.60	.....	209.83	1,510.10	72,475.85
Total	448,449.13	28,406.72	36,888.41	30,157.00	808.00	67,853.41	214,870.97	61,098.23	275,969.20	148.67	4,501.63	1.00	1,767.23	18,234.26	845,331.25
July	30,340.52	2,585.10	3,243.50	4,440.47	12.00	7,701.97	25,951.00	2,641.45	28,592.45	.....	353.35	.....	216.11	659.00	70,484.50
August	30,371.96	2,457.06	3,906.84	2,259.61	110.00	6,276.45	22,800.00	5,990.78	28,856.78	.....	558.55	.....	302.35	1,280.70	70,103.85
September	32,835.74	2,016.03	5,576.50	2,338.81	95.00	8,010.31	20,724.00	3,119.53	23,843.53	.....	404.71	.....	134.94	1,358.30	68,003.56
October	37,105.93	2,297.53	5,033.35	2,306.79	12.00	7,352.14	21,321.00	5,887.45	27,208.45	.....	405.47	.....	443.95	1,388.50	76,201.97
November	40,586.12	3,225.62	4,573.85	2,434.92	179.00	7,187.77	25,519.00	2,929.65	28,448.65	.....	334.56	.....	127.20	1,222.50	81,132.42
December	46,537.20	3,274.05	5,708.42	3,766.60	31.00	9,506.02	25,372.25	6,231.28	31,603.53	.....	319.94	$86.40	175.79	1,888.50	93,391.43

TABLE No. 4.—*Receipts from excise-stamp sales, detailed by objects, by months, from February 1, 1901, to June 30, 1906*—Continued.

SCHEDULE A—EXCISE PROPER—Continued.

Month.	Distilled spirits.	Adulterated spirits, wine (domestic).	Beer.	Wine.	Champagne.	Total.	Cigarettes.	Cigars and manufactured tobacco.	Total.	Playing cards.	Medicinal preparations, perfumery.	Oleomargarine.	Arms and ammunition.	Matches.	Total.
1903.															
January	$43,875.25	$2,915.15	$4,404.31	$2,836.87	$5.00	$7,246.18	$35,993.43	$6,982.44	$42,975.87	$9.00	$543.83	.....	$110.71	$1,936.00	$99,611.99
February	39,618.29	2,698.16	5,305.35	3,992.62	100.25	9,398.22	23,057.72	6,650.16	29,707.88	.72	490.69	.....	151.39	1,443.80	83,509.15
March	49,836.82	2,550.66	5,033.40	2,393.87	57.00	7,484.27	26,442.85	6,122.00	32,564.85	96.96	496.10	.....	218.76	1,935.50	95,183.92
April	41,174.24	2,216.48	4,539.98	2,224.33	157.00	6,921.31	29,927.82	4,702.91	34,630.73	.....	609.05	$1.00	59.99	1,751.50	87,364.30
May	40,492.75	3,022.98	4,271.88	2,712.40	67.50	7,501.78	22,743.00	9,688.87	32,431.87	5.76	390.16	.....	118.69	1,556.50	85,520.49
June	36,226.52	2,427.23	5,308.67	3,122.80	141.00	8,572.47	26,919.00	4,727.96	31,646.96	31.68	556.42	.....	328.68	1,663.00	81,452.96
Total	469,007.34	31,686.05	57,356.05	34,836.09	966.75	93,158.89	306,837.07	65,674.48	372,511.55	144.12	5,462.83	87.40	2,388.56	18,113.80	992,560.54
July	30,733.85	2,128.46	3,354.20	2,339.71	76.00	5,769.91	25,126.73	4,083.75	29,210.48	.....	511.73	.....	250.02	1,127.00	69,731.45
August	31,119.96	1,468.23	2,461.05	1,632.98	17.00	4,111.03	20,150.00	4,901.99	25,051.99	.72	277.05	.....	286.73	1,262.25	63,577.96
September	34,653.50	1,811.50	2,662.68	3,560.41	22.00	6,245.09	24,464.65	3,961.45	28,426.10	28.80	498.68	.....	222.75	1,858.50	73,744.92
October	35,960.57	1,862.64	3,971.23	3,226.03	25.00	7,222.26	23,213.80	6,571.75	29,785.55	43.20	448.99	.....	110.45	2,620.25	78,053.91
November	46,357.10	2,439.14	2,164.65	2,824.45	105.00	5,094.10	23,086.90	4,452.66	27,539.56	28.80	481.29	.....	159.32	1,297.85	83,388.16
December	40,188.25	2,878.90	3,379.76	2,722.66	107.00	6,209.42	30,409.40	4,478.22	34,887.62	34.22	541.44	.....	84.24	1,625.50	86,449.59
1904.															
January	38,260.50	2,117.97	3,466.78	2,546.20	4.00	6,016.98	24,887.00	5,607.52	30,494.52	.12	566.56	.....	67.52	1,954.75	79,478.92
February	48,676.72	2,160.37	3,412.01	2,883.04	61.00	6,356.05	20,142.00	10,547.21	30,689.21	.....	358.58	.....	11.98	1,537.50	89,790.41
March	52,938.15	2,137.27	4,022.67	2,408.42	48.00	6,479.09	24,014.00	6,531.06	30,545.06	1.21	423.70	.....	119.12	1,344.50	93,988.10
April	44,728.59	1,665.38	3,368.84	4,760.85	49.00	8,178.69	19,307.00	6,294.92	25,601.92	.....	479.92	.....	164.59	1,752.50	82,571.59
May	45,997.13	1,812.87	3,409.49	2,119.85	32.00	5,561.34	20,407.40	6,688.71	27,096.11	17.28	415.52	.....	155.17	2,102.60	83,158.02
June	46,274.27	2,176.45	3,235.65	2,960.51	84.00	6,280.16	16,627.00	6,790.21	23,417.21	100.80	532.50	.....	206.79	1,476.50	80,464.68
Total	495,888.59	24,659.18	38,909.01	33,985.11	630.00	73,524.12	271,835.88	70,909.45	342,745.33	255.15	5,535.96	.....	1,829.68	19,959.70	964,397.71
July	41,282.49	1,761.38	3,905.13	3,933.80	51.00	7,889.93	18,882.00	6,809.08	25,691.08	20.65	487.64	.....	118.14	1,314.10	78,565.41
August	44,384.40	1,703.03	2,954.95	2,952.02	33.00	5,945.97	24,498.50	6,924.12	31,422.62	72.00	453.62	.....	197.88	1,422.45	85,601.97
September	38,573.20	1,020.28	2,742.90	3,373.53	34.00	6,150.43	19,704.00	7,955.44	27,659.44	45.50	368.48	.....	88.80	1,865.50	75,771.63
October	40,595.35	958.78	3,070.81	3,142.27	67.00	6,280.08	23,000.30	6,835.32	29,985.62	14.58	626.24	.....	215.05	1,762.50	80,438.20
November	42,877.62	1,284.20	2,201.90	2,606.80	265.00	5,073.70	21,060.80	10,756.47	31,817.27	.....	419.22	.....	235.11	2,012.54	83,719.66
December	35,523.02	2,697.95	3,324.08	5,009.06	74.00	8,407.14	23,735.00	8,350.99	32,085.99	44.20	834.41	.....	169.65	1,286.65	81,049.01

1905.															
January	41,836.36	1,863.35	2,745.10	2,935.43	126.00	5,806.53	28,731.00	7,749.57	36,480.57	23.04	512.13	.....	169.47	1,538.00	88,229.45
February	41,663.67	1,469.10	4,293.94	3,722.64	86.00	8,102.58	25,315.10	9,047.77	34,362.87	17.28	450.49	.....	68.58	1,603.00	87,737.57
March	72,629.38	1,494.03	2,782.88	2,479.91	87.00	5,349.79	26,641.05	11,357.34	37,998.39	2.88	673.70	.....	37.82	1,370.00	119,555.99
April	64,360.90	1,221.15	3,419.48	3,732.84	198.00	7,350.32	26,295.80	10,704.74	37,000.54	90.66	646.88	.....	123.34	1,571.00	112,364.79
May	79,873.82	2,594.52	5,097.74	5,178.78	65.00	10,341.52	33,890.90	11,498.18	45,389.08	106.56	681.19	.....	243.69	3,900.25	143,139.63
June	189,293.43	3,189.60	6,004.70	11,007.88	95.00	17,107.58	34,365.10	11,616.05	45,981.15	183.84	1,608.84	.....	882.67	10,108.10	268,355.21
Total	732,893.64	21,257.37	42,543.61	50,074.96	1,187.00	93,805.57	306,209.55	109,665.07	415,874.62	621.19	7,762.84	.....	2,550.20	29,763.09	1,304,528.52
July	6,043.35	.....	2,674.39	2,695.74	82.25	5,452.38	14,104.35	9,013.91	23,118.26	.....	818.39	.....	56.17	347.00	35,835.55
August	6,724.65	.....	5,418.68	1,626.33	34.59	7,079.60	23,397.56	9,045.16	32,442.72	49.68	974.52	.....	116.06	520.50	47,907.73
September	17,475.40	.....	3,952.59	3,837.93	66.96	7,857.48	26,799.40	9,528.00	36,327.40	.....	641.00	.....	59.85	1,207.86	63,568.99
October	31,268.28	.....	6,319.61	5,439.28	190.95	11,949.84	28,932.25	9,393.73	38,325.98	116.64	745.04	.....	104.43	920.00	83,430.21
November	40,675.82	.....	7,415.44	6,114.62	125.01	13,655.07	26,790.24	9,988.43	36,778.67	8.64	960.11	.....	171.45	990.00	93,239.76
December	56,765.48	.....	5,985.77	3,461.41	55.13	9,502.31	28,953.20	11,008.73	39,961.93	12.27	933.18	.....	69.24	1,257.00	108,501.41
1906.															
January	67,690.38	.....	6,595.52	5,003.33	117.01	11,715.86	35,274.90	11,476.96	46,751.86	49.68	1,056.59	.....	81.31	1,328.80	128,674.48
February	58,315.57	.....	3,347.45	3,494.68	183.87	7,026.00	35,397.80	11,819.91	47,217.71	112.32	568.50	.....	72.24	866.00	114,178.34
March	77,232.87	.....	5,022.48	6,231.81	124.86	11,379.15	27,787.78	13,021.82	40,809.60	86.40	681.85	.....	95.89	730.00	131,015.76
April	67,842.50	.....	5,492.19	4,187.74	146.07	9,826.00	29,511.90	10,958.57	40,470.47	144.72	826.89	.....	286.37	1,820.00	121,216.95
May	80,467.20	.....	6,363.46	7,135.65	171.88	13,670.99	32,706.30	11,975.03	44,681.33	4.32	936.32	.....	255.89	5,813.10	145,829.15
June	66,278.76	.....	6,001.12	4,441.44	160.12	10,602.68	29,354.25	11,491.90	40,846.15	230.76	798.25	.....	405.08	2,831.70	121,993.38
Total	576,780.26	.....	64,588.70	53,669.96	1,458.70	119,717.36	339,009.93	128,722.15	467,732.08	815.43	9,940.64	.....	1,773.98	18,631.96	1,195,391.71

TABLE No. 5.—*Receipts for excise stamp sales, detailed by objects, by quarters, from February 1, 1901, to June 30, 1906.*

SCHEDULE B—LICENSE TAXES.

Quarter ending—	Manufacturers.				Wholesale dealers.					Retail dealers.				Total.
	Distillers.	Rectifiers.	Manufacturers of stills.	Cigars and cigarettes.	Distilled spirits.	Wine and beer.	Cigars and cigarettes.	Arms and ammunition.	Perfumery.	Distilled spirits, wine, beer.	Cigars and cigarettes.	Arms and ammunition.	Perfumery.	
March 31, 1901					$1,194.00	$270.00	$333.00	$30.00		$1,910.00	$1,539.00			$5,276.00
June 30, 1901					2,538.00	540.00	666.00	60.00		3,670.05	3,078.00			10,552.05
Total					3,732.00	810.00	999.00	90.00		5,580.05	4,617.00			15,828.05
September 30, 1901					3,706.00	294.00	2,400.00	40.00		4,270.82	3,628.00			14,338.82
December 31, 1901					3,925.00	394.00	2,710.00	40.00		4,570.96	3,924.00			15,563.96
March 31, 1902					4,080.00	435.00	2,434.00	96.00		7,077.14	4,382.00			18,504.14
June 30, 1902					3,880.00	423.00	1,941.00	72.00		6,690.80	4,211.00			17,217.80
Total					15,591.00	1,546.00	9,485.00	248.00		22,609.72	16,145.00			65,624.72
September 30, 1902					4,190.00	1,380.03	2,031.55	108.00		8,178.00	5,908.60			21,796.18
December 31, 1902					4,642.50	453.00	2,065.00	48.00		11,333.50	7,949.39			26,491.39
March 31, 1903					5,475.00	964.90	3,057.00	66.00		12,095.00	8,542.50			30,200.40
June 30, 1903					3,834.00	629.00	2,252.00	66.00		9,834.00	7,126.50			23,741.50
Total					18,141.50	3,426.93	9,405.55	288.00		41,440.50	29,526.99			102,229.47
September 30, 1903					4,550.00	911.00	2,817.00	150.00		11,316.25	8,419.75			28,164.00
December 31, 1903					3,772.15	1,179.35	2,821.71	198.00		10,713.80	8,130.70			26,815.71
March 31, 1904					4,382.65	1,959.85	2,913.24	174.00		11,986.46	8,680.00			30,096.20
June 30, 1904					4,101.70	1,361.60	2,466.80	282.00		11,633.65	8,610.92			28,456.67
Total					16,806.50	5,411.80	11,018.75	804.00		45,650.16	33,841.37			113,532.58
September 30, 1904					4,275.00	1,472.00	2,223.50	258.00		12,229.20	9,046.50			29,504.20
December 31, 1904					3,954.00	1,172.00	2,201.00	315.50		12,897.50	9,178.10			29,718.10
March 31, 1905					4,375.00	1,596.00	2,392.50	247.00		14,367.00	10,312.50			33,290.00
June 30, 1905					4,950.00	1,764.00	2,865.00	271.50		16,450.50	11,505.50			37,806.50
Total					17,554.00	6,004.00	9,682.00	1,092.00		55,944.20	40,042.60			130,318.80
September 30, 1905	$950.00		$55.00	$624.00	4,637.00	1,647.00	1,373.00	154.00	$865.00	14,706.50	9,279.00	$380.00	$1,215.00	35,885.50
December 31, 1905	750.00	$100.00	35.00	520.00	4,575.00	1,458.00	1,261.50	72.00	750.00	15,554.00	9,595.00	414.50	1,233.50	36,318.50
March 31, 1906	925.00	50.00	25.00	582.00	5,790.00	1,804.00	1,585.00	106.00	1,070.00	16,911.00	10,190.00	320.00	1,388.00	40,756.00
June 30, 1906	925.00	75.00	15.00	547.00	4,912.00	1,781.00	1,320.00	82.00	782.00	16,100.50	9,676.50	290.00	1,169.00	37,675.00
Total	3,550.00	225.00	130.00	2,273.00	19,914.00	6,690.00	5,539.50	414.00	3,467.00	63,272.00	38,740.50	1,414.50	5,005.50	150,635.00

TABLE No. 6.

SCHEDULE C—DOCUMENTARY.

Quarter ending—	Custom-house entries.	Notarial instruments.	Tax certificates.	Registrars of property.	Blank books.	Administrative fines.	Licenses to carry arms.	Pamphlets.	Total.
March 31, 1901	$1,356.99	$3,171.70							$4,528.69
June 30, 1901	3,416.21	4,895.62							8,311.83
Total	4,773.20	8,067.32							12,840.52
September 30, 1901	1,782.78	7,501.00	$10.00						9,293.78
December 31, 1901	1,974.56	6,980.16	135.00						9,089.72
March 31, 1902	1,454.26	6,823.29	238.00						8,515.55
June 30, 1902	1,076.59	7,518.71	400.00						8,995.30
Total	6,288.19	28,623.16	783.00						35,694.35
September 30, 1902	903.45	5,684.25	192.00						6,869.70
December 31, 1902	1,129.60	4,500.69	292.00						5,922.29
March 31, 1903	1,122.43	5,159.08	320.00						6,601.51
June 30, 1903	977.82	5,546.74	388.00						6,912.56
Total	4,223.30	20,890.76	1,192.00						26,306.06
September 30, 1903	998.55	4,704.13	410.00						6,112.68
December 31, 1903	965.25	4,608.07	410.00						5,983.32
March 31, 1904	1,140.40	5,662.42	473.75						7,276.57
June 30, 1904	927.25	6,017.56	781.35						7,726.16
Total	4,031.45	20,992.18	2,075.10						27,098.73
September 30, 1904	812.50	5,368.17	288.00	$6,478.50	$544.10	$2,545.00			15,836.27
December 31, 1904	970.00	4,148.03	206.00	6,731.13	376.56	3,101.85	$205.00		15,738.57
March 31, 1905	935.00	5,918.82	234.00	9,719.65	431.91	2,527.00	150.00		19,916.38
June 30, 1905	839.00	5,392.57	280.00	10,431.15	673.00	2,133.00	10.00		19,758.72
Total	3,556.50	20,827.59	1,008.00	33,360.43	1,825.57	10,306.85	365.00		71,249.94
September 30, 1905	735.00	4,018.12	292.00	10,606.25	208.25	1,766.00		$24.50	17,650.12
December 31, 1905	1,074.00	3,956.98	212.00	10,363.25	47.75	1,550.51		4.00	17,208.49
March 31, 1906	964.00	6,849.53	332.00	8,977.95	40.75	2,128.45		3.00	19,295.68
June 30, 1906	828.00	7,384.29	268.00	11,056.45	53.50	1,713.35		3.00	21,406.59
Total	3,601.00	22,208.92	1,204.00	41,003.90	350.25	7,158.31		34.50	75,560.88

TABLE No. 7.—*Actual gross receipts of municipalities, by sources, for the fiscal year 1905–6.*

Municipality.	Property tax.	Bond redemption tax.	School tax.	Municipal taxes levied prior to July 1, 1901.	Insular advance.	Municipal property.	Industrial and commercial taxes.	Licenses, permits, and certificates.	Court fines.	Interest on deposits.	Miscellaneous.	Total receipts during year.	Cash on hand July 1, 1905.	Total available for expenditures.	Total expenditures during year.	Cash on hand June 30, 1906.
Adjuntas	$11,881.88		$247.77		$15,000.00	$237.25	$853.50	$16.00	$176.26		$2.00	$28,414.66	$14.42	$28,429.08	$27,208.73	$1,220.35
Aguada	6,181.48		722.56	$24.27	4,000.00	159.61	350.50	18.00	236.80			11,693.22	31.08	11,724.30	7,694.40	4,029.90
Aguadilla	7,828.42		889.02		12,000.00	3,213.19	4,164.00	247.10	466.49		50.00	28,858.22	512.30	29,370.52	24,042.78	5,327.74
Aguas Buenas	4,188.11		471.45	228.58		732.00	634.00	158.00	166.75		224.86	6,803.75		6,803.75	6,803.17	.58
Aibonito	5,249.95		631.50		10,000.00	1,120.75	1,054.25	265.50	249.35		56.37	18,627.67	195.86	18,823.53	7,376.12	11,447.41
Añasco	11,466.32		1,278.32			992.00	1,580.50	160.05	217.50		2.00	15,696.69	56.31	15,753.00	15,740.26	12.74
Arecibo	30,007.03	$14,960.98	3,217.20	97.25		14,112.09	5,276.50	2,302.28	712.00		838.37	71,523.70	3,557.14	75,080.84	67,592.68	7,488.16
Arroyo	5,697.51		621.95		4,200.00	1,139.28	1,836.50	17.80	431.75			13,944.79		13,944.79	7,706.32	6,238.47
Barranquitas	2,513.81		299.39			512.58	569.00	181.02	136.25			4,212.05		4,212.05	3,730.05	482.00
Barros	5,094.10		582.07			292.26	638.25	164.50	30.00		298.21	7,099.39	121.37	7,220.76	7,197.32	23.44
Bayamon	17,370.23		1,930.14			5,965.09	3,030.30	774.31	768.31		192.73	30,031.11	285.80	30,316.91	24,890.38	5,426.53
Cabo Rojo	13,534.02		219.38			1,679.00	913.50	216.40	262.90		182.19	17,007.39	113.59	17,120.98	17,026.65	94.33
Caguas	11,114.56		1,287.14	193.44		7,346.32	4,821.00	610.50	1,381.10		99.62	26,853.68	12.39	26,866.07	26,799.32	66.75
Camuy	8,021.25		847.74			437.30	631.00	14.00	122.05		1.85	10,075.19	62.91	10,138.10	10,091.72	46.38
Carolina	12,113.70		655.98			2,535.66	1,345.00	326.80	439.50		62.19	17,478.83	3,205.77	20,684.60	16,298.36	4,386.24
Cayey	9,330.60		1,102.22	109.53		1,779.52	2,054.00	156.95	763.20		241.57	15,537.59	90.51	15,628.10	14,444.75	1,183.35
Ciales	10,252.29		1,144.28			534.30	1,632.00	199.60	248.90		81.27	14,092.64	116.28	14,208.92	14,153.20	55.72
Cidra	2,975.75		324.93			617.55	510.00	219.00	211.25		3.50	4,861.98		4,861.98	4,596.00	265.98
Coamo	14,317.33		1,626.85		2,000.00	1,503.50	1,205.00	576.10	321.10		299.09	21,848.97	344.53	22,193.50	17,921.00	4,272.50
Comerio	4,829.52		543.50			1,211.62	820.50	224.40	181.42		21.25	7,832.21	16.91	7,849.12	7,191.77	657.35
Corozal	3,463.15		377.62			660.14	823.50	231.50	191.72		5.00	5,752.63		5,752.63	4,913.96	838.67
Dorado	3,890.37		446.43			356.00	465.50	158.70	90.45		.50	5,407.95		5,407.95	4,884.91	523.04
Fajardo	15,473.46		1,262.05			4,337.46	1,066.25	439.00	467.75		180.61	23,232.58	766.36	23,998.94	23,994.33	4.61
Guayama	21,435.93		2,396.78			7,212.76	2,909.00	1,394.60	571.20		10.00	35,930.27	195.69	36,125.96	34,348.93	1,777.03
Guayanilla	7,865.84					751.47	793.00	57.50	173.21		88.77	9,729.79		9,729.79	7,630.98	2,098.81
Gurabo	4,341.08		521.26			622.17	670.50	111.00	461.95		49.01	6,776.97		6,776.97	5,116.60	1,660.37
Hatillo	5,468.54		585.92			213.00	442.00	8.00	101.25		13.00	6,831.71		6,831.71	5,727.21	1,104.50
Humacao	16,329.64		1,782.20			4,454.47	4,392.00	168.10	546.65		509.13	28,182.19	450.20	28,632.39	28,334.77	297.62
Isabela	5,142.20		579.75			533.57	1,685.45	142.79	178.62		11.00	8,273.38	56.43	8,329.81	8,305.98	23.83
Juana Diaz	23,970.79		2,612.99		6,000.00	1,770.92	2.50	162.75	97.65		189.01	34,806.61	3.92	34,810.53	29,942.73	4,867.80
Juncos	4,979.96		569.95			1,576.50	1,340.16	119.25	668.45		9.34	9,263.61		9,263.61	8,250.16	1,013.45
Lajas	10,960.92		1,276.34			475.00	596.00	113.45	176.49			13,598.20	225.32	13,823.52	11,393.26	2,430.26
Lares	12,547.13		1,294.01		12,000.00	994.03	721.50	62.40	92.85		59.25	27,771.17	1,903.03	29,674.20	25,859.27	4,014.93
Las Marias	16,458.29		1,327.66			17.00	230.00	38.10	102.50		25.00	18,198.55	13.12	18,211.67	18,043.81	167.86
Loiza	10,188.79					1,185.32	226.50	61.60	136.91			11,799.12		11,799.12	8,839.48	2,959.64
Manati	16,018.96		1,856.94	152.96		3,098.70	2,501.00	177.19	551.52		245.10	24,602.37	70.55	24,672.92	24,646.73	26.19
Maricao	8,751.22		962.04			324.75	224.00	21.00	91.00			10,374.01	11.32	10,385.33	10,351.25	34.08
Maunabo	3,874.79		455.73			1,134.47	493.00	167.00	140.20		151.50	6,416.69		6,416.69	6,231.65	185.04
Mayaguez	46,679.93	35,453.14				19,995.42	9,190.50	1,354.37	2,068.77		575.20	115,317.33	119,803.85	235,121.18	111,384.74	123,736.44
Moca	4,435.11		473.00			160.12	306.00	63.15	146.95			5,584.33		5,584.33	4,823.84	760.49

Morovis	5,109.85		413.45			523.66	485.50	126.15	64.10		25.75	6,748.46	4.25	6,752.71	6,644.07	108.64
Naguabo	7,974.34				3,000.00	1,971.12	566.75	223.25	73.20		522.30	14,330.96	236.92	14,567.88	13,234.24	1,333.64
Naranjito	1,908.50		221.69			299.99	361.00	166.00	80.71		36.02	3,073.91		3,073.91	2,866.46	207.45
Patillas	7,208.52		88.33		2,000.00	1,239.31	918.50	358.00	214.40			12,027.06	4.82	12,031.88	8,337.44	3,694.44
Peñuelas	6,080.93		523.97			140.36	532.92	112.78	207.64		142.25	7,740.85		7,740.85	6,405.65	1,335.20
Ponce	89,431.47	28,352.57				29,539.44	15,056.20	2,356.82	1,289.26	$634.60	786.55	167,426.35	75,022.24	242,448.59	179,852.94	62,595.65
Quebradillas	2,313.59		270.98			254.62	710.50	28.00	112.80			3,690.49		3,690.49	3,519.88	170.61
Rincon	2,018.20		237.35		2,643.49	84.25	580.50	245.40	122.90			5,932.09		5,932.09	5,910.79	21.30
Rio Grande	8,304.86					2,022.13	635.51	218.75	139.00		8.94	11,329.19	7.54	11,336.73	11,329.82	6.91
Rio Piedras	11,543.78		1,159.85			3,231.25	1,208.50	172.30	923.10		100.60	18,339.38	2,514.20	20,853.58	16,211.72	4,641.86
Sabana Grande	3,938.10		400.56			1,477.39	1,178.60	474.55	309.95		1,009.43	8,848.58	52.15	8,900.73	8,900.24	.49
Salinas	18,097.48		2.70			839.00		136.15	467.15		37.90	19,580.38		19,580.38	16,247.94	3,332.44
San German	13,088.07		1,485.03			3,430.95	1,882.33	187.75	306.65		59.10	20,439.88	304.48	20,744.36	20,728.23	16.13
San Juan	119,319.33	77,500.22	13,767.18		15,000.00	177,117.92	14,096.16	4,822.58	4,918.85	2,661.28	6,360.20	435,563.72	97,195.48	532,759.20	337,010.15	195,749.05
San Lorenzo	4,867.63		559.41			1,310.72	1,330.55	45.20	33.50		300.62	8,447.63	860.60	9,248.23	8,967.09	281.14
San Sebastian	11,323.11		1,274.71	62.85		847.96	1,323.50	205.40	313.70		266.74	15,617.97	82.32	15,700.29	15,255.19	445.10
Santa Isabel	10,664.20		1,251.56			743.39	56.16	522.30			4.80	13,242.41	549.56	13,791.97	13,777.40	14.57
Toa Alta	3,280.60		372.90			480.75	671.50	139.47	356.70			5,301.92	1.80	5,303.72	5,302.77	.95
Toa Baja	6,165.38		703.21			638.32	488.25	61.50	194.90		19.25	8,270.81		8,270.81	7,527.20	743.61
Trujillo Alto	1,795.46		196.35			667.25	162.00	97.50	95.40			3,013.96		3,013.96	2,783.74	230.22
Utuado	19,722.77		1,737.87			1,547.81	2,031.00	11.60	218.25		166.32	25,435.62	309.39	25,745.01	25,276.70	468.31
Vega Alta	4,264.14		491.05			416.56	468.00	73.50	216.62		124.50	6,054.37		6,054.37	6,011.46	42.91
Vega Baja	7,350.92		862.14	4.14		1,587.77	1,440.50	430.00	105.00		209.99	11,990.46	651.98	12,642.44	11,791.65	850.79
Vieques	15,257.67		1,796.57		1,500.00	1,117.42	44.00	29.30	146.25			19,891.21	3,398.43	23,289.64	22,063.34	1,226.30
Yabucoa	11,084.14		1,217.48			2,950.73	1,754.00	641.00	215.55		1,154.62	19,017.52	334.89	19,352.41	18,335.47	1,016.94
Yauco	30,610.11		3,473.94			4,322.15	4,322.00	1,028.40	114.00		757.62	44,628.22	7,550.31	52,178.53	51,274.03	904.50
Total	858,967.11	156,266.91	69,992.34	873.02	89,343.49	334,796.36	115,282.09	24,813.41	25,818.55	3,295.32	16,877.99	1,696,326.59	321,258.32	2,017,584.91	1,536,895.18	480,689.73

TABLE No. 8.—*Actual gross expenditures of municipalities, by items, for the fiscal year 1905–6.*

Municipalities.	Interest on bonded indebtedness.	Payment to sinking fund, bonded indebtedness.	Guaranteed indebtedness.	Indebtedness of annexed municipalities.	Repayment of advance to municipalities from insular funds with interest.	Administrative expenditures.	Fire department.	Lighting.	Public works.	Productive properties, maintenance.
Adjuntas			$6,155.63		$3,450.00	$3,601.05		$419.52	$670.06	$318.50
Aguada			738.13			2,249.85		210.00	14.57	73.50
Aguadilla			3,930.08		2,752.48	3,994.22	$55.00	998.79	2,115.73	560.00
Aguas Buenas			474.70		1,072.14	1,551.68		66.86	583.08	90.85
Aibonito			544.69			2,020.65	52.20	213.42	209.98	96.00
Añasco			504.38			3,769.24		570.69	172.92	517.55
Arecibo	$6,000.00	$5,000.00				9,948.06	1,349.42		3,436.38	8,054.70
Arroyo			438.76			1,448.34	47.68	586.82	423.95	240.00
Barranquitas			238.76			724.82		98.40	100.00	48.00
Barros			246.10			2,511.18		60.00	75.30	108.00
Bayamon					1,452.44	4,078.57	60.00	815.98	1,258.51	493.83
Cabo Rojo			87.54			3,859.43		418.92	2,175.19	210.00
Caguas			2,707.49	$163.34		5,300.28	22.40	1,221.19	1,792.54	420.00
Camuy			625.90			2,033.98		199.39	176.09	92.36
Carolina			37.62			4,062.55		598.38	2,009.14	602.97
Cayey			181.26			3,268.80		911.39	399.10	464.00
Ciales						3,093.32		418.81	623.81	148.75
Cidra			562.99			1,087.55		119.24	199.60	48.00
Coamo						2,987.13		481.20	882.33	150.00
Comerio			423.54		603.50	1,646.34		104.86	309.97	48.00
Corozal			180.35			1,074.59		156.00	417.75	148.70
Dorado			453.12			1,284.07		108.40	179.40	30.00
Fajardo					672.14	4,497.79		1,427.44	3,445.81	627.00
Guayama						6,349.47	952.07	1,190.98	3,543.79	2,357.85
Guayanilla						1,175.38		315.60	252.18	180.00
Gurabo						1,093.76		196.70	197.54	144.00
Hatillo			51.97			833.99		145.00	352.00	60.00
Humacao			2,5[illegible]0.05			5,526.49		1,251.13	844.71	856.77
Isabela			431.71			2,703.85		255.60	233.18	195.00
Juana Diaz						3,912.17		1,173.83	1,141.14	328.29
Juncos			28.00			1,407.69		295.00	1,672.79	342.00
Lajas			116.64			3,447.80		120.00	877.49	96.00
Lares						4,126.58		297.80	9,522.18	115.00
Las Marias			191.23			4,048.73		191.40	538.81	467.00
Loiza						1,506.16		258.63	1,256.30	631.70
Manati			476.82			5,490.09	144.82	779.89	650.00	382.75
Maricao			9.18			2,907.60		252.49	600.00	161.02
Maunabo						1,307.55		243.65	789.00	120.00
Mayaguez	18,000.00	10,000.00			2,760.00	9,626.97	2,214.76	14,599.86	6,718.38	4,268.67
Moca			598.73			977.38		215.25	134.80	60.00

Morovis			270.19			1,548.70		92.65	54.48	80.15
Naguabo			118.18		690.00	2,518.85		350.00	3,800.72	310.00
Naranjito						1,031.56		20.00	20.00	36.00
Patillas			215.76			2,235.00		210.00	562.68	389.77
Peñuelas						1,286.78		183.28		120.00
Ponce	12,000.00	10,000.00			8,992.58	16,362.86	5,338.51	16,197.07	27,893.65	8,288.62
Quebradillas			165.60			813.70		84.00	19.15	36.00
Rincon			2,643.49		607.99	941.43		72.00		60.00
Rio Grande						2,061.47		490.00	843.08	436.77
Rio Piedras						2,968.37		793.88	2,865.75	472.84
Sabana Grande					831.14	2,243.53		242.82	453.63	180.00
Salinas						2,468.12		660.42	3,102.90	286.50
San German			520.80			4,947.75	1,184.10	697.25	924.27	892.91
San Juan	36,000.00	30,000.00			17,867.19	25,447.38	5,488.87	22,138.45	33,592.21	30,471.07
San Lorenzo			682.49			2,348.41		273.42	76.67	84.00
San Sebastian					2,022.92	2,547.97	89.33	282.11	324.16	124.00
Santa Isabel						2,865.36		268.61	1,580.24	219.40
Toa Alta			835.00			1,343.37		80.06	58.25	53.00
Toa Baja						1,314.98		471.60	811.53	119.80
Trujillo Alto			566.23			795.43				36.00
Utuado						5,058.43		1,387.62	1,549.94	418.30
Vega Alta			506.55		280.00	841.13		174.90	190.00	55.00
Vega Baja			1,382.29		437.86	2,388.67		297.21	174.78	150.00
Vieques					3,090.00	3,375.45		580.00	5,514.08	190.25
Yabueoa			60.69			2,995.84	37.25	489.19	2,646.73	600.00
Yauco			669.56		2,449.13	5,340.41	1,125.22	666.12	10,757.27	891.00
Total	72,000.00	55,000.00	31,592.20	163.34	50,031.51	224,626.12	18,161.83	78,991.17	148,811.67	69,334.02

TABLE NO. 8.—*Actual gross expenditures of municipalities, by items, for the fiscal year 1905-6*—Continued.

Municipalities.	Charities.	Sanitation.	Education.	Courts.	Penal institutions.	Road funds.	Traveling expenses.	Civil register.	Miscellaneous expenses.	Total.
Adjuntas	$1,190.85	$3,198.00	$3,842.89	$850.00	$566.00	$1,774.65	$67.25	$594.61	$509.72	$27,208.73
Aguada	360.48	907.66	2,132.70	187.50	299.00	344.30	83.00	16.00	77.71	7,694.40
Aguadilla	1,541.14	2,513.82	2,740.26	675.05	534.12	733.21	30.00	442.46	426.42	24,042.78
Aguas Buenas	223.75	519.57	1,349.62	146.83	141.39	327.59	48.60	.....	206.51	6,803.17
Aibonito	790.00	825.00	1,710.16	180.00	378.80	321.63	8.75	.....	24.84	7,376.12
Añasco	1,808.11	2,198.38	3,650.23	402.09	788.85	873.99	69.83	99.00	315.00	15,740.26
Arecibo	7,730.67	7,621.71	10,721.95	1,560.00	1,549.38	2,461.95	369.18	880.00	909.28	67,592.68
Arroyo	555.75	1,117.88	1,761.47	265.00	69.40	455.79	110.50	.....	184.98	7,706.32
Barranquitas	192.92	744.40	802.16	240.00	280.10	201.11	30.33	.....	29.05	3,730.05
Barros	400.00	1,047.60	1,619.97	.....	420.40	405.04	79.22	180.00	44.51	7,197.32
Bayamon	3,980.91	3,017.37	5,722.38	682.00	1,146.73	1,372.77	186.63	388.00	234.26	24,890.38
Cabo Rojo	2,275.87	1,944.65	3,711.00	220.00	311.80	1,070.02	79.81	337.50	324.92	17,026.65
Caguas	3,555.72	4,691.39	3,742.57	559.84	751.02	914.14	309.50	407.00	240.70	26,799.32
Camuy	813.49	1,413.78	2,908.44	246.00	261.50	949.41	9.57	312.75	49.08	10,091.72
Carolina	941.27	2,592.81	3,151.75	240.00	305.37	1,147.79	59.50	300.00	249.21	16,298.36
Cayey	1,682.63	2,216.00	3,052.84	495.00	638.31	737.87	273.05	22.75	101.75	14,444.75
Ciales	1,420.06	2,170.79	3,251.38	930.86	558.29	807.11	311.70	177.85	240.47	14,153.20
Cidra	133.14	524.06	1,034.14	287.85	224.53	227.68	47.50	.....	99.67	4,596.00
Coamo	2,583.37	1,838.56	6,532.93	312.00	587.04	1,145.39	45.50	.....	375.55	17,921.00
Comerio	263.32	1,190.00	1,597.82	321.74	80.00	481.96	9.95	21.00	89.77	7,191.77
Corozal	349.89	800.00	1,066.49	263.66	63.34	275.54	76.20	.....	41.45	4,913.96
Dorado	166.85	743.00	1,221.43	272.85	34.62	310.00	24.00	.....	51.17	4,884.91
Fajardo	1,794.45	3,585.75	4,365.87	360.00	691.05	1,250.45	300.00	690.00	286.58	23,994.33
Guayama	3,672.70	3,632.36	7,046.49	540.00	1,027.56	1,858.55	420.00	360.00	1,397.11	34,348.93
Guayanilla	679.83	1,370.20	1,633.18	244.00	178.06	629.26	250.00	180.00	543.29	7,630.98
Gurabo	519.59	724.89	1,389.48	260.00	100.00	347.27	6.50	35.00	101.87	5,116.60
Hatillo	500.00	675.15	1,933.54	252.46	165.20	437.04	6.30	216.00	98.56	5,727.21
Humacao	2,877.45	4,381.65	5,255.91	536.88	1,029.00	1,936.94	91.63	709.72	516.44	28,334.77
Isabela	537.00	1,055.60	1,619.44	318.00	288.68	411.13	60.00	31.79	165.00	8,305.98
Juana Díaz	6,114.41	2,604.39	9,394.26	257.50	942.02	2,262.10	211.50	307.00	1,294.12	29,942.73
Juncos	813.13	910.90	1,565.96	287.87	389.40	398.39	90.75	.....	78.28	8,250.16
Lajas	660.00	869.75	3,620.36	240.00	66.47	876.90	149.36	.....	252.49	11,393.26
Lares	2,316.50	2,152.31	4,318.87	510.00	476.38	1,003.73	.....	347.50	472.42	25,659.27
Las Marias	1,298.20	2,097.19	4,657.99	1,011.56	310.43	1,682.84	98.00	606.50	843.93	18,043.81
Loiza	659.94	863.30	1,854.30	240.00	87.25	636.52	177.65	284.00	383.73	8,839.48
Manati	3,303.08	3,207.46	6,400.71	453.26	1,099.15	1,318.64	212.00	158.71	569.45	24,646.73
Maricao	700.18	882.82	2,736.73	407.25	223.78	1,269.21	6.50	55.01	139.48	10,351.25
Maunabo	792.00	835.00	1,230.69	240.00	224.00	309.97	39.00	.....	100.79	6,231.65
Mayaguez	14,080.61	8,032.52	11,125.69	1,800.00	1,811.71	3,969.06	426.36	465.00	1,685.15	111,384.74
Moca	224.26	460.10	1,360.04	204.00	167.16	354.81	.....	.....	67.31	4,823.84
Morovis	249.02	1,476.79	1,455.68	509.11	221.44	395.54	23.73	220.72	45.87	6,644.07
Maguabo	1,407.51	1,045.75	1,631.37	240.00	103.20	632.59	35.00	20.00	331.07	13,234.24
Naranjito	187.95	480.00	594.14	144.00	104.93	148.97	20.00	.....	78.89	2,866.46

Patillas	842.51	956.48	1,538.68	250.00	396.80	571.10	50.00		118.66	8,337.44
Peñuelas	455.00	947.29	1,740.07	240.00	290.00	986.49	50.00		106.74	6,405.65
Ponce	17,115.57	15,809.88	21,031.33	2,100.00	2,378.83	7,531.01	1,448.90	720.00	6,644.13	179,852.94
Quebradillas	250.00	579.00	733.72	240.00	165.48	185.09	20.50	157.88	69.76	3,519.88
Rincon	117.01	324.00	641.02	180.00	108.97	161.35	9.58		43.95	5,910.79
Rio Grande	1,501.47	1,302.50	3,293.06	203.45	333.94	697.42	38.50	14.00	114.16	11,329.82
Rio Piedras	892.16	1,790.00	3,540.94	540.00	233.33	785.88	220.00	240.00	868.57	16,211.72
Sabana Grande	647.33	1,979.41	1,256.14	398.00	186.02	315.04	41.75	27.35	98.08	8,900.24
Salinas	1,366.37	2,316.00	3,622.19	312.00	449.50	1,447.81	147.75		68.38	16,247.94
San German	1,288.46	3,695.93	4,293.79	652.50	255.80	1,028.68	65.35		280.64	20,728.23
San Juan	36,082.61	31,825.52	39,822.49	2,585.00	3,962.33	9,633.18	302.20	744.00	11,047.65	337,010.15
San Lorenzo	895.98	1,855.25	1,553.47		409.60	388.67	30.30	240.00	128.83	8,967.09
San Sebastian	2,132.81	1,709.83	4,066.49	387.10	463.22	893.94	20.50		190.81	15,255.19
Santa Isabel	1,002.43	1,627.00	3,811.31	214.64	555.15	845.43	275.75	248.25	263.83	13,777.40
Toa Alta	205.36	800.00	1,087.97	225.12	304.42	257.72	27.75		24.75	5,302.77
Toa Baja	421.00	980.92	1,930.06	264.00	174.60	490.72	79.40	336.00	132.59	7,527.20
Trujillo Alto	91.42	399.16	553.03	156.00	11.78	143.89	12.80		18.00	2,783.74
Utuado	2,691.86	2,936.37	6,433.88	80.00	1,101.08	1,887.99	100.00	917.00	713.63	25,276.70
Vega Alta	318.14	1,008.26	1,343.85	220.00	293.40	341.14	91.63	291.00	56.46	6,011.46
Vega Baja	1,243.88	1,719.00	2,356.44		560.69	579.15	75.00	387.08	39.60	11,791.65
Vieques	953.89	2,705.34	5,148.33	240.00	137.35		1.00		127.65	22,063.34
Yabucoa	2,115.73	2,783.40	3,776.36	605.00	766.68	785.85	66.11		606.64	18,335.47
Yauco	4,360.60	4,249.92	11,462.96		1,161.22	2,336.38	452.53	440.00	4,911.71	51,274.03
Total	153,339.59	169,481.37	267,552.86	28,486.97	34,397.10	71,762.78	8,575.57	13,628.43	40,958.65	1,536,895.18

TABLE NO. 9.—*Floating indebtedness of municipalities June 30, 1901–1906.*

Municipality.	June 30, 1901.	June 30, 1902.	June 30, 1903.	June 30, 1904.	June 30, 1905.	June 30, 1906.
Adjuntas	$4,013.56	$13,277.55	$6,545.02	$8,795.13	$8,201.77	$120.00
Aguada	10,671.33	4,739.57	1,024.50	1,713.56	718.33	486.10
Aguadilla	10,785.82	9,649.34	3,323.36	4,045.69	3,609.32	1,564.50
Aguas Buenas	1,610.34	2,149.28	3,732.74	4,667.70	1,955.89	1,647.02
Aibonito	3,984.00	3,050.93	1,032.62	559.03		
Añasco	7,415.42	4,327.13	4,150.62	5,947.34	7,527.92	7,376.36
Arecibo	15,372.24	4,838.63	8,239.40	15,654.00	9,084.54	3,678.03
Arroyo	3,170.35	3,288.20				
Barranquitas	2,002.47	1,922.62				235.98
Barros	4,686.62	3,845.94	6,359.73	2,954.86	2,272.01	1,541.51
Bayamon	3,859.81	2,462.63	5,394.21	7,429.46	2,370.47	941.37
Cabo Rojo	3,778.64	3,853.10	4,882.36	6,309.35	2,549.36	496.70
Caguas	13,770.93	11,250.35	13,681.54	10,689.98	4,761.49	
Camuy	4,200.64	3,697.66	6,163.04	8,655.04	2,895.48	423.17
Carolina			48.00	230.00		
Cayey	6,385.49	1,767.38	4,569.36	3,552.11	1,699.25	
Ciales	5,331.09	4,078.66	5,985.09	6,734.40	6,320.19	4,605.43
Cidra	4,607.86	3,321.88				
Coamo	135.60	231.89	1,586.69	178.34	1,266.84	350.00
Co nerio	2,169.24	2,527.89	1,549.71	3,968.79	377.82	
Corozal	3,390.64	2,090.50				
Dorado	5,672.63	4,106.26				8.28
Fajardo	11,838.24	4,043.75	3,072.86	3,160.84	109.74	37.75
Guayama	6,386.28	2,233.50	5,691.00	8,393.84		
Guayanilla	3,159.57	435.36				
Gurabo	924.28	1,151.36				
Hatillo	3,974.53	2,256.33				
Hu nacao	2,184.70	2,907.50	813.32	31.80	1,291.25	4,104.25
Isabela	4,310.20	3,469.97	3,157.46	3,116.35	1,140.07	261.68
Juana Diaz	12,474.66	9,985.80	6,672.01	10,108.72	8,920.70	3,184.99
Juncos	486.67	125.00				
Lajas	2,240.39	1,632.74	2,522.12	2,999.23	834.56	834.56
Lares	1,543.74	10,905.33	1,559.00	1,049.75	1,916.28	645.67
Las Marias	6,427.89	1,277.33	7,648.80	6,955.71	7,922.62	2,697.36
Loiza	627.00	143.98				
Manati	6,801.22	7,927.76	11,335.41	10,692.54	8,266.37	6,825.93
Maricao	4,972.69	5,712.02	4,323.17	2,823.18	2,725.40	1,514.45
Maunabo	2,903.08	532.84				
Mayaguez	36,557.47	2,050.14	25,476.16	27,303.09	14,315.90	7,606.20
Moca	4,883.86	3,782.94				
Morovis	2,902.15	1,973.94	1,875.80	2,247.35	4,279.36	3,272.92
Naguabo	1,861.01	317.43	1,757.84	1,747.31	30.75	40.00
Naranjito	1,950.23	1,454.67				
Patillas	3,882.59	2,257.02	762.34	1,576.29	474.12	525.00
Peñuelas	6,181.44	4,028.56				53.72
Ponce	103,288.76	194,236.16	40,552.88	57,189.71	3,409.43	6,984.34
Quebradillas	2,376.47	1,423.67				
Rincon	6,551.57	5,960.29				70.00
Rio Grande	1,457.92	303.23	2,432.18	1,000.00	1,633.93	1,663.40
Rio Piedras	1,584.42	617.30	27.32	17.99	377.63	
Sabana Grande	446.06	534.47	2,319.99	3,395.72	2,698.52	24.27
Salinas	2,588.44					
San German	3,355.71	4,117.53	3,120.43	1,972.28	4,191.90	2,072.56
San Juan	75,642.69	7,585.76	14,813.86	8,201.98	2,422.21	
San Lorenzo	2,074.11	3,031.15	3,838.88	2,810.91	3,744.43	2,759.69
San Sebastian	4,559.75	3,078.21	7,868.45	6,643.40	2,258.36	327.32
Santa Isabel		718.71	1,465.91		1,316.81	930.89
Toa Alta	5,746.34	4,199.52	5,437.84	4,048.08	3,230.79	2,822.63
Toa Baja	428.53	1,448.42				
Trujillo Alto	4,597.20	1,872.26				
Utuado	15,932.35	6,319.02	7,602.12	6,322.59	4,795.65	2,061.92
Vega Alta	4,836.27	3,556.50				430.62
Vega Baja	4,154.47	6,033.68	3,904.95	3,940.87	924.42	10.80
Vieques	603.51				19.69	
Yabucoa	3,764.20	2,423.94	3,817.06	2,772.86	2,129.87	
Yauco	13,574.77	9,640.25	10,371.81	11,579.24	435.02	2,645.94
Total	501,128.15	418,164.73	262,508.96	284,186.41	141,426.46	77,879.31

TABLE NO. 10.—*Total indebtedness of the municipalities, June 30, 1906.*

[Exclusive of bonds of the four municipalities of San Juan, Ponce, Mayaguez, and Arecibo.]

Municipalities.	Certificates of indebtedness.	Insular advance.	Floating indebtedness.	Total.	Cash on hand available to pay indebtedness.	Net indebtedness less cash on hand available to pay same.
Adjuntas		$11,893.13	$120.00	$12,013.13	$1,220.35	$10,792.78
Aguada	$1,075.73	4,000.00	486.10	5,561.83	29.90	5,531.93
Aguadilla		9,502.62	1,564.50	11,067.12	50.53	11,016.59
Aguas Buenas	353.90	2,577.73	1,647.02	4,578.65	.58	4,578.07
Aibonito	485.45	10,000.00		10,485.45	1,447.41	9,038.04
Añasco	450.34		7,376.36	7,826.70	12.74	7,813.96
Arecibo			3,678.03	3,678.03	189.05	3,488.98
Arroyo	393.56	4,200.00		4,593.56	2,038.47	2,555.09
Barranquitas	213.17		235.98	449.15	482.00	
Barros	247.73		1,541.51	1,789.24	23.44	1,765.80
Bayamon		3,829.38	941.37	4,770.75	5,391.35	
Cabo Rojo	78.16		495.70	574.86	94.33	480.53
Caguas	2,417.40			2,417.40	66.75	2,350.65
Camuy	568.18		423.17	991.35	46.38	944.97
Carolina	33.59			33.59	4,386.24	
Cayey	161.83			161.83	1,183.35	
Ciales			4,605.13	4,605.43	55.72	4,549.71
Cidra	502.68			502.68	265.98	236.70
Coamo		2,000.00	350.00	2,350.00	4,272.50	
Comerío	378.15	1,493.05		1,871.20	657.35	1,213.85
Corozal	161.03			161.03	838.67	
Dorado	410.44		8.28	418.72	523.04	
Fajardo		1,672.87	37.75	1,710.62	4.61	1,706.01
Guayama					1,777.03	
Guayanilla					2,011.54	
Gurabo					1,660.37	
Hatillo					1,104.50	
Humacao	118.34		4,104.25	4,222.59	297.62	3,924.97
Isabela	385.45		261.68	647.13	23.83	623.30
Juana Diaz		6,000.00	3,184.99	9,184.99	505.41	8,679.58
Juncos	54.69			54.69	1,013.45	
Lajas	104.15		834.56	938.71	2,430.26	
Lares		12,000.00	645.67	12,645.67	16.71	12,628.96
Las Marias	170.74		2,697.36	2,868.10	167.86	2,700.24
Loiza					2,959.64	
Manati	425.72		6,825.93	7,251.65	26.19	7,225.46
Maricao	11.00		1,514.45	1,525.45	34.08	1,491.37
Maunabo					185.04	
Mayaguez		9,669.37	7,600.20	17,269.57	551.94	16,717.63
Moca	534.58			534.58	760.49	
Morovis	247.44		3,272.92	3,520.36	108.64	3,411.72
Naguabo		2,372.09	40.00	2,412.09	1,333.37	1,078.72
Naranjito					207.45	
Patillas	192.64	2,000.00	525.00	2,717.64	1,694.44	1,023.20
Peñuelas			53.72	53.72	1,335.20	
Ponce		20,844.77	6,984.34	27,829.11	20,913.72	6,915.39
Quebradillas	147.86			147.86	170.61	
Rincon		2,096.05	72.00	2,168.05	21.30	2,146.75
Rio Grande			1,663.40	1,663.40	6.91	1,656.49
Rio Piedras					4,641.86	
Sabana Grande		2,183.35	24.27	2,207.62	.49	2,207.13
Salinas					3,332.44	
San German	464.99		2,072.56	2,537.55	16.13	2,521.42
San Juan					6,986.19	
San Lorenzo	609.37		2,759.69	3,369.06	281.14	3,087.92
San Sebastian		5,029.39	327.32	5,356.71	445.10	4,911.61
Santa Isabel			930.89	930.89	14.57	916.32
Toa Alta	48.45		2,822.63	2,871.08	.95	2,870.13
Toa Baja		1,500.00		1,500.00	743.61	756.39
Trujillo Alto	505.56			505.56	230.22	275.34
Utuado			2,061.92	2,061.92	468.31	1,593.61
Vega Alta	608.23	749.07	430.62	1,787.92	42.91	1,745.01
Vega Baja	1,234.19	1,671.27	10.80	2,916.26	850.79	2,065.47
Vieques					1,226.30	
Yabucoa	54.19			54.19	1,016.94	
Yauco	597.83	7,084.62	2,645.94	10,328.39	904.50	9,423.89
Total	14,446.76	124,368.76	77,879.31	216,694.83	85,800.79	170,661.68

TABLE No. 11.—*Certificate of indebtedness of municipalities to June 30, 1906.*

Municipalities.	Total certificates issued.	Amount redeemed in fiscal year ending June 30, 1903.	Amount redeemed in fiscal year ending June 30, 1904.	Amount redeemed in fiscal year ending June 30 1905.	Amount redeemed in fiscal year ending June 30, 1906.	Total certificates redeemed.	Amount unredeemed June 30, 1906.
Adjuntas	$12,954.51	$2,323.72	$3,011.32	$2,752.19	$4,867.28	$12,954.51	.....
Aguada	3,568.76	582.39	597.05	654.55	659.04	2,493.03	$1,075.73
Aguadilla	9,471.24	1,904.08	2,022.97	2,020.19	3,524.00	9,471.24	.....
Moca	3,149.79	1,000.84	520.91	528.88	534.58	2,615.21	534.58
Aguas Buenas	1,606.14	201.63	351.13	345.58	353.90	1,252.24	353.90
Aibonito	2,435.50	492.69	485.70	486.21	485.45	1,950.05	485.45
Añasco	2,358.58	577.21	430.34	450.35	450.34	1,908.24	450.34
Rincon	5,237.35	473.82	1,142.61	1,206.77	2,414.15	5,237.35	.....
Barros	2,588.78	743.47	708.33	669.52	219.73	2,341.05	247.73
Barranquitas	1,588.55	735.18	213.34	213.68	213.18	1,375.38	213.17
Bayamon:							
Naranjito	316.23	316.23	.....	.....	.....	316.23	.....
Cabo Rojo	390.80	78.16	78.16	78.16	78.16	312.64	78.16
Caguas	6,789.77	540.00	1,114.48	300.49	2,417.40	4,372.37	2,417.40
Camuy	3,095.73	728.04	677.45	563.22	558.84	2,527.55	568.18
Hatillo	1,699.18	1,520.38	40.22	92.18	46.40	1,699.18	.....
Quebradillas	1,259.98	654.59	174.17	135.50	147.86	1,112.12	147.86
Carolina	167.95	33.59	33.59	33.59	33.59	134.36	33.59
Trujillo Alto	2,562.85	483.73	519.78	548.22	505.56	2,057.29	505.56
Cayey	1,302.18	628.00	188.68	161.83	161.84	1,140.35	161.83
Cidra	2,781.67	735.89	444.18	596.25	502.67	2,278.99	502.68
Ciales	1,785.75	1,785.75	.....	.....	.....	1,785.75	.....
Comerio	2,169.51	481.80	553.74	377.66	378.16	1,791.36	378.15
Guayama:							
Arroyo	2,871.35	1,300.72	392.66	392.66	391.75	2,477.79	393.56
Humacao	591.71	118.34	118.34	118.34	118.35	473.37	118.34
Isabela	1,659.02	190.42	331.72	365.97	385.46	1,273.57	385.45
Lajas	520.72	104.15	104.14	104.14	104.14	416.57	104.15
Las Marias	674.23	.....	168.56	164.19	170.74	503.49	170.74
Manati	1,702.91	.....	425.73	425.73	425.73	1,277.19	425.72
Maricao	856.64	613.80	220.55	.....	11.29	845.64	11.00
Morovis	1,154.33	183.17	241.98	240.50	241.24	906.89	247.44
Naguabo	317.43	72.75	68.87	67.00	108.81	317.43	.....
Patillas	756.58	.....	178.66	192.64	192.64	563.94	192.64
Ponce:							
Guayanilla	435.36	435.36	.....	.....	.....	435.36	.....
Peñuelas	1,573.74	1,573.74	.....	.....	.....	1,573.74	.....
San German	2,294.46	378.60	520.87	465.00	465.00	1,829.47	464.99
San Lorenzo [a]	3,053.62	633.66	591.85	609.37	609.37	2,444.25	609.37
Juncos	154.69	25.00	25.00	25.00	25.00	100.00	54.69
Toa Alta	2,879.69	767.59	709.95	608.16	745.54	2,831.24	48.45
Corozal	1,195.23	393.50	255.00	224.67	161.03	1,034.20	161.03
Dorado	3,144.19	1,247.94	461.46	619.78	404.57	2,733.75	410.44
Vega Baja	6,106.77	1,167.60	1,238.80	1,231.99	1,234.19	4,872.58	1,234.19
Vega Alta	2,228.12	358.25	20.00	620.82	620.82	1,619.89	608.23
Yabucoa	270.95	54.19	54.19	54.19	54.19	216.76	54.19
Yauco	2,958.79	567.50	597.82	597.82	597.82	2,360.96	597.83
Total	106,681.33	27,237.47	20,034.30	19,342.99	25,619.81	92,234.57	14,446.76

[a] Formerly Hato Grande.

TABLE No. 12—*Insular loans to municipalities.*

No.	Municipality.	Date of loan.	Purposes for which granted.		Amount of loan.	Amount outstanding June 30, 1906.
			Payment of indebtedness.	Public improvements.		
1	Fajardo	July 16, 1904	$2,800.00	.....	$2,800.00	$1,672.87
2	Aguas Buenas	July 19, 1904	4,311.67	.....	4,311.67	2,577.73
3	Comerio	....do.....	2,500.00	.....	2,500.00	1,493.05
4	Ponce	Sept. 14, 1904	35,000.00	.....	35,000.00	20,844.77
5	Vega Baja	Oct. 19, 1904	3,000.00	.....	3,000.00	1,671.27
6	Yauco	....do.....	11,772.25	.....	11,772.25	7,084.62
7	Sabana Grande	Dec. 1, 1904	3,644.27	.....	3,644.27	2,183.35
8	Bayamon	Jan. 23, 1905	6,420.72	.....	6,420.72	3,829.38
9	San Sebastian	....do.....	8,669.42	.....	8,669.42	5,029.39
10	Mayaguez	Mar. 28, 1905	12,000.00	.....	12,000.00	9,669.37
11	San Juan	Mar. 15, 1905	2,500.00	.....	2,500.00	.....
12	Vieques	May 22, 1905	.....	$3,000.00	3,000.00	.....
	Total, 1904–5	.....	92,618.33	3,000.00	95,618.33	56,055.80
13	Vega Alta	Aug. 12, 1905	1,000.00	.....	1,000.00	749.07
14	Adjuntas	Aug. 31, 1905	14,922.44	77.56	15,000.00	11,893.13
15	Rincon	....do.....	2,643.49	.....	2,643.49	2,096.05
16	Aguadilla	Sept. 20, 1905	5,943.79	6,056.21	12,000.00	9,502.62
17	Naguabo	....do.....	108.81	2,891.19	3,000.00	2,372.09
18	San Juan	Sept. 26, 1905	.....	15,000.00	15,000.00	.....
19	Arroyo	Mar. 8, 1906	.....	4,200.00	4,200.00	4,200.00
20	Coamo	Apr. 10, 1906	.....	2,000.00	2,000.00	2,000.00
21	Lares	....do.....	.....	12,000.00	12,000.00	12,000.00
22	Juana Diaz	Apr. 17, 1906	1,950.03	4,049.97	6,000.00	6,000.00
23	Patillas	....do.....	.....	2,000.00	2,000.00	2,000.00
24	Toa Baja	May 31, 1906	.....	1,500.00	1,500.00	1,500.00
25	Aguada	June 23, 1906	114.16	3,885.84	4,000.00	4,000.00
26	Aibonito	....do.....	558.00	9,442.00	10,000.00	10,000.00
	Total, 1905–6	.....	27,240.72	63,102.77	90,343.49	68,312.96
	Total, 1904–5 and 1905–6	.....	119,859.05	66,102.77	185,961.82	124,368.76

TABLE No. 13.—*Insular loans to school boards.*

No.	School board.	Date of loan.	Purposes for which granted.		Amount of loan.	Amount outstanding June 30, 1906.
			Payment of indebtedness.	Public improvements.		
1	Adjuntas	July 16, 1904	$980.00		$980.00	
2	Aguada	do	408.00		408.00	
3	Aguadilla	do	750.00		750.00	
4	Aguas Buenas	do	355.00		355.00	
5	Anasco	do	806.00		806.00	
6	Arecibo	do	1,411.00		1,411.00	
7	Barros	do	348.00		348.00	
8	Bayamon	do	672.00		672.00	
9	Camuy	do	1,000.00		1,000.00	
10	Cayey	do	734.00		734.00	
11	Ciales	do	323.33		323.33	
12	Comerio	do	925.00		925.00	$551.63
13	Fajardo	do	182.00		182.00	
14	Lajas	do	550.00		550.00	
15	Las Marias	do	675.00		675.00	
16	Maricao	do	216.00		216.00	
17	Mayaguez	do	3,680.00		3,680.00	2,301.62
18	Morovis	do	600.00		600.00	365.76
19	Naguabo	do	492.00		492.00	
20	Patillas	do	394.00		394.00	
21	Ponce	do	1,000.00		1,000.00	
22	Sabana Grande	do	425.00		425.00	
23	San Lorenzo	do	800.00		800.00	
24	Utuado	do	862.00		862.00	
25	Vega Baja	do	208.00		208.00	
26	Manati	Oct. 3, 1904	700.00		700.00	
	Total 1904–5		19,496.33		19,496.33	3,219.01
27	Aguada	Aug. 31, 1905		1,000.00	1,000.00	658.13
28	Arecibo	do	196.00	900.00	1,096.00	721.07
29	Aguadilla	Sept. 20, 1905	1,500.00		1,500.00	983.44
30	Anasco	Oct. 6, 1905	2,000.00		2,000.00	1,579.37
31	Sabana Grande	do	1,200.00		1,200.00	947.84
32	San German	do		2,000.00	2,000.00	1,579.76
33	Manati	Oct. 11, 1905		1,200.00	1,200.00	947.24
34	Camuy	Nov. 8, 1905		3,000.00	3,000.00	2,531.46
35	Hatillo	do		3,000.00	3,000.00	2,727.47
36	Lares	Mar. 31, 1906		5,000.00	5,000.00	5,000.00
37	Coamo	Apr. 10, 1906		6,000.00	6,000.00	6,000.00
38	Rio Piedras	do		3,500.00	3,500.00	3,500.00
39	Maguabo	Apr. 17, 1906	1,000.00		1,000.00	1,000.00
40	Toa Baja	May 31, 1906		1,500.00	1,500.00	1,500.00
	Total 1903–6		5,896.00	27,100.00	32,996.00	29,675.78
	Total 1904–5 and 1905–6		25,392.33	27,100.00	52,492.33	32,894.79

TABLE NO. 14.—*Statement of receipts and expenditures by the boards of road supervisors during the fiscal years 1902–3, 1903–4, 1904–5, and 1905–6.*

Sources of income and expenditures.	San Juan.	Arecibo.	Aguadilla.	Mayaguez.	Ponce.	Guayama.	Humacao.	Total.
Receipts:								
Pro rata property tax	$36,796.67	$21,660.14	$27,981.74	$27,842.40	$38,868.83	$35,044.10	$31,577.03	$219,770.91
Miscellaneous receipts	158.84	.....	400.00	139.60	252.74	167.46	.....	1,118.64
	36,955.51	21,660.14	28,381.74	27,982.00	39,121.57	35,211.56	31,577.03	220,889.55
Expenditures:								
Repairs and maintenance of roads, labor, material, land, and tools	31,201.93	18,244.72	17,741.42	17,417.84	30,067.13	23,106.18	24,893.22	162,672.44
Salaries and office expenses	5,560.49	3,278.84	4,399.60	10,390.48	7,277.76	10,281.30	4,703.77	45,892.24
Refund of amounts collected in excess from various municipalities corresponding to year 1902–3	193.09	.....	642.83	173.68	189.82	382.71	133.64	1,715.77
Balance pro rated among municipalities of the district	.....	136.58	5,597.89	.....	1,586.86	1,441.37	1,846.40	10,609.10
Total	36,955.51	21,660.14	28,381.74	27,982.00	39,121.57	35,211.56	31,577.03	220,889.55

TABLE NO. 15.—*Statement of assets and liabilities of the extinct boards of road supervisors.*

	San Juan.	Arecibo.	Mayaguez.	Aguadilla.	Ponce.	Humacao.	Guayama.	Total.
Assets:								
Property tax, June collections, 1905–6	$503.49	$257.12	$462.01	$352.11	$530.63	$313.26	$315.42	$2,734.04
Property tax due by municipalities corresponding to the fiscal year 1902–3	1,204.09	383.55	174.17	.....	627.75	855.13	85.56	3,330.25
Total	1,707.58	640.67	636.18	352.11	1,158.38	1,168.39	400.98	6,064.29
Liabilities:	228.99	.....	1,268.21	.....	.....	.....	.....	1,497.20
Assets in excess of liabilities	1,478.59	640.67	.....	352.11	1,158.38	1,168.39	400.98	5,199.12
Liabilities in excess of assets	.....	.....	632.03	.....	.....	.....	.....	632.03
Total assets in excess of liabilities	.....	.....	.....	.....	.....	.....	.....	4,567.09

Exhibit D.

REPORT OF THE AUDITOR OF PORTO RICO.

Office of the Auditor of Porto Rico,
San Juan, P. R., July 1, 1906.

Sir: I have the honor to present herewith a statement of the financial transactions of the office of the auditor for the fiscal year ending June 30, 1906, showing:

(1) A statement of the receipts of the insular government, both insular revenue and trust, from July 1, 1905, to June 30, 1906, as shown by treasurer's receipts, countersigned by the auditor.

(2) A statement of expenditures of the insular government, both payments from insular revenue and payments from trust funds, from July 1, 1905, to June 30, 1906, as shown by warrants issued by the auditor and countersigned by the governor, pursuant to appropriations authorized by law during said period.

(3) A comparison of the balances of insular revenues and trust funds for the fiscal year 1905–6 with those of the previous fiscal year.

(4) A statement of the distribution of trust funds.

(5) A recapitulation of receipts and expenditures of insular revenues and trust fund balances.

Owing to the auditor's office being unable to close the year's books until two months after close of the fiscal year, because the accounts for the year have not been finally rendered until then, it is impossible to set forth at this early date a statement of audited disbursements. The expenditures, as here set forth, consist of advances to disbursing officers and payments on audited claims.

A considerable decrease is shown in the balance to the credit of trust funds at the close of the present fiscal year as compared with the preceding year, that for the fiscal year 1905–6 being $213,091.23, and for the year 1904–5, $341,437.16. This decrease is accounted for by the fact that there were larger expenditures than receipts from several of the trust funds. The funds most noticeably affected in this manner are "Construction and repair of country roads," with a decrease of $72,010.83, and "School extension in Porto Rico," with a decrease of $32,094.96. The trust fund, "Balance to credit of general allotment appropriation by Congress of revenues collected on importations from Porto Rico into the United States," was reduced from $111,279.38 to $105,072.10, on account of transfers from this fund to "Construction and repair of country roads."

Customs receipts for the fiscal year have shown a healthy increase and point in unmistakable terms to the large and general prosperity of the island. For the fiscal year 1904–5 these receipts amounted to $658,347.67 and for 1905–6 to $716,111.20. Considered monthly an increase is shown in eight of the twelve months of the fiscal year.

Internal-revenue receipts, amounting in 1904–5 to $2,458,378.31 and in 1905–6 to $2,444,719.51, have been practically stationary, showing, as they do, a very small decrease.

A considerable increase is shown in "Miscellaneous receipts from sundry sources," which was $155,577.68 in 1904–5 and $194,341.01 in 1905–6. This was due to large increases in the collections of marshals and secretaries of the insular courts, which arise out of the establishment of the new judicial system for the island.

The marked decrease in the expenses of the legislative branch of the insular government, being $108,790.21 in 1904–5 and $58,681.41 in 1905–6, is due to the latter year being one in which the general elections did not occur.

In the executive branch of the insular government a large increase is shown in the advance to cover expenses of the office of the secretary, while a considerable decrease appears in advances for the office of the auditor. These changes are accounted for by the transfer of the bureau of printing and supplies from the office of the auditor to that of the secretary.

The increase in the expenditures on account of insular police from $314,443 in 1904–5 to $347,369.37 in 1905–6 is due to an increase in the number of police used in the latter year.

An important factor in this increase was the cane strike in the Arecibo district, which occurred last spring.

The advances for expenses of the department of health, charities, and correction show an increase during the year, being $284,860.65 in 1904–5 and $310,451.01 in 1905–6. This is accounted for by the additional cost during the latter year of the establishment and maintenance of the blind asylum.

Of the insular revenues, $2,453,556.24 have been advanced to the disbursing officers of the insular government on accountable warrants for payments to be made through them. The auditor has paid direct from insular revenues on claims the sum of $1,088,237.27. From trust funds $177,127.05 has been advanced to disbursing officers on accountable warrants for payments to be made by them. The auditor has paid direct from trust funds on claims the sum of $308,056.81.

My grateful acknowledgments are due, and are hereby made, for the valuable and efficient service rendered by the assistant auditor, and for the faithful and satisfactory discharge of their official duties by the clerks of this office.

Respectfully submitted.

GEORGE CABOT WARD,
Auditor of Porto Rico.

FINANCIAL STATEMENT.

Receipts and expenditures from July 1, 1905, to June 30, 1906.

RECEIPTS.

The balance in the hands of the treasurer of Porto Rico at the close of business on June 30, 1905, as shown by the general ledgers of receipts and expenditures, as stated in the auditor's report for the fiscal year ending June 30, 1905, page 16, verified in the offices of the auditor and the treasurer, was as follows.

Insular revenues	$416,794.19	
Trust funds	341,437.16	
		$758,231.35

DEPOSITS WITH THE TREASURER.

[July 1, 1905, to June 30, 1906.]

I. INSULAR REVENUES.

(a) Customs receipts.

Deposits by collector of customs for Porto Rico:		
July, 1905	$27,010.00	
August, 1905	70,006.95	
September, 1905	22,000.00	
October, 1905	86,094.25	
November, 1905	50,000.00	
December, 1905	78,000.00	
January, 1906	83,000.00	
February, 1906	63,000.00	
March, 1906	60,000.00	
April, 1906	67,000.00	
May, 1906	55,000.00	
June, 1906	55,000.00	
Total deposits of customs receipts		$716,111.20

(b) Internal-revenue receipts.

Deposits by collectors of internal revenue:		
July, 1905	$95,912.73	
August, 1905	138,011.89	
September, 1905	147,411.15	
October, 1905	254,385.75	
November, 1905	204,552.91	
December, 1905	191,588.43	
January, 1906	258,337.10	
February, 1906	321,116.72	
March, 1906	240,629.45	
April, 1906	211,088.05	
May, 1906	204,779.78	
June, 1906	176,905.55	
Total deposits of internal-revenue receipts		$2,444,719.51

(c) Miscellaneous receipts of internal revenue.

July 1, 1905, to June 30, 1906, deposits by various receiving and revenue	2,730.90

(d) Miscellaneous receipts from sundry sources.

July 1, 1905, to June 30, 1906, deposits by various receiving and disbursing officers, and fees collected by the secretaries and marshals of the various district and municipal courts of Porto Rico	194,341.01
Total deposits of insular revenues	3,357,902.62

(e) Repayments.

July 1, 1905, to June 30, 1906, sundry deposits of repayments by disbursing officers	177,200.00

(f) Transfers.

To insular revenues from trust funds	10,099.41
Total deposits to credit of insular revenues, including repayments and transfers	3,545,202.03

II. TRUST FUNDS.

(a) *Establishment and maintenance of industrial schools.*

Amount received from sales of manufactured goods at the industrial schools from July 1, 1905, to June 30, 1906 ..... $271.21

(b) *Taxes paid under protest.*

Taxes paid by various taxpayers under protest 11,980.53

(c) *Municipal school tax on property.*

July 1, 1905, to June, 30, 1906, amounts collected by the treasurer of Porto Rico, through the collectors of internal revenue 70,619.94

(d) *Municipal bond redemption tax.*

July 1, 1905, to June 30, 1906, amounts collected by the treasurer, through the collectors of internal revenue, for the purpose of paying the interest on the bonds and creating a sinking fund for their redemption, as follows:

San Juan	$77,161.25	
Ponce	15,162.73	
Mayaguez	35,252.76	
Arecibo	29,039.08	
		156,615.82

(e) *Redemption—Certificates of indebtedness.*

July 1, 1905, to June 30, 1906, amounts deducted by the treasurer of Porto Rico from taxes due municipalities and deposited to their credit for the payment of certificates of indebtedness issued, said amounts to be paid to the assignees of such certificates 30,333.29

(f) *Outstanding liabilities.*

July 1, 1905, to June 30, 1906, deposits made by the depositaries for insular revenues on account of treasurer's drafts and disbursing officers' checks, remaining outstanding and unpaid beyond the time required by law 345.92

(g) *Sundry trust-fund deposits.*

July 1, 1905, to June 30, 1906, on account of various deposits in trust by individuals as bail bonds, franchise bonds, etc 27,876.96

(h) *Loans to municipalities.*

July 1, 1905, to June 30, 1906, on acount of deductions made by the treasurer of Porto Rico as reimbursement on account of loans made to various municipalities 5,546.93

(i) *Loans to school boards.*

July 1, 1905, to June 30, 1906, on account of deductions made by the treasurer of Porto Rico as reimbursement for loans made to various school boards 1,096.37

(j) *School extension.*

July 1, 1905, to June 30, 1906, on account of deductions made by the treasurer of Porto Rico, as reimbursement for money advanced certain municipalities to assist in the construction of schoolhouses 18,264.12

(k) *Aguas Buenas cementery.*

Amount repaid by the treasurer of the municipality of Aguas Buenas on account of money donated to said municipality by the insular government from "Proceeds of sales of relief supplies, hurricane of August, 1899"		$0.22

(l) *Repayments.*

July 1, 1905, to June 30, 1906, repayments by disbursing officers of balances of moneys advanced from trust funds	$15,976.65	
July 1, 1905, to June 30, 1906, repayments by the secretary and treasurer of the University of Porto Rico of balances of money advanced from trust funds and money obtained by sales from the university farm	18,697.18	
		$34,673.83

(m) *Transfers.*

To trust funds from insular revenues		14,987.53
Total deposits to credit of trust funds (including repayments and transfers)		$372,612.67
Total deposits from July 1, 1905, to June 30, 1906		3,917,814.70
Balance on hand at close of business June 30, 1905		758,231.35
Total receipts to be accounted for on June 30, 1906		4,676,046.05

EXPENDITURES.

I. PAYMENTS MADE FROM INSULAR REVENUES.

(1) Amounts advanced to disbursing officers of the insular government, from insular revenues, on accountable warrants, for expenditures from the following appropriations, July 1, 1905, to June 30, 1906:

Legislative.

Executive council: Salaries and expenses		$28,279.27
House of delegates: Per diems and salaries of members, salaries of employees, and contingent expenses		25,202.14
Expenses of election in Porto Rico		5,200.00
Total advanced for legislative expenditure		$58,681.41

Executive.

Office of the governor: Salaries and expenses		$12,790.00
Office of the secretary: Salaries and expenses	$28,858.33	
Office of the bureau of printing and supplies, salaries and expenses	39,183.64	
		68,041.97
Office of the attorney-general: Salaries and expenses		25,036.41
Office of the treasurer, salaries and expenses:		
Treasurer's office proper	$30,430.99	
Bureau of accounts	18,686.11	
Bureau of internal revenue	70,826.38	
Bureau of municipal finance	9,033.33	
		128,976.81
Internal-revenue service: Salaries and expenses of eight collectors of internal revenue and the various deputy collectors		58,235.08
Office of the auditor: Salaries and expenses		29,292.32

Department of the interior:		
Office of the commissioner, including bureau of docks and harbors	$52,568.81	
Bureau of insular telegraph: Salaries and expenses, including repairs to lines	59,434.59	
Maintenance and repair of roads	182,655.81	
Maintenance and repair of public buildings	37,396.01	
Expenses of executive mansion	9,759.22	
Repairs to military barracks, Ponce	4,497.01	
Purchase of building, district court of Arecibo, and repairs to same	6,902.50	
Construction of jail in Arecibo	21,600.00	
Construction (convict labor)—		
Humacao-Yabucoa road	4,090.48	
Jayuya road	6,449.05	
Registration and inspection of commercial fertilizer	550.00	
Grant of land to school board, San Juan	50.00	
Construction of reform school building	900.00	
Installing district court and insular police, infantry barracks, Mayaguez	1,800.00	
To complete the construction of various insular roads	16,000.00	
Erection of second story on the penitentiary	12,000.00	
Construction of a canal at Boca Vieja	50.00	
Minor repairs to dock at San Juan	100.00	
		$416,803.48
Department of education:		
Salaries and expenses, office of the commissioner; salaries, teachers of public school; purchase of text-books and school supplies; expenses incident to maintenance of public schools, and education of Porto Rican students in the United States		604,174.73
Funds for the University of Porto Rico		23,200.00
Insular police of Porto Rico: Salaries and incidental expenses of force, equipment, stabling of horses, rent of quarters, and contingent expenses		347,369.37
Department of health, charities, and correction: Salaries and expenses, office of the director, and the bureaus of health, charities, and insular prisons		310,451.01
Registrars of property: Salaries and expenses		39,700.38
Insular library: Salaries and expenses		2,345.00
Maintenance of a commercial agency in the United States		7,333.00
Suppression of anæmia: Salaries and expenses		12,795.00
Expenses of commission to organize system of local government		1,625.80
Collection and preservation of historical data, salaries		1,200.00
expenses		1,908.00
Collection and preservation of historical data, salaries		1,200.00
Expenses of commission on prison control and teachers' pension fund		650.00
Total advanced for executive expenditures		$2,091,928.36

Judicial.

United States district court for Porto Rico: Salaries and expenses of officers and employees, fees of jurors and witnesses, and expenses	$35,457.33

Insular courts of Porto Rico:		
Salaries and expenses, supreme court and district courts and municipal courts; witness fees and incidental expenses of jury procedure	$267,013.14	
Publication of decisions of United States district court and supreme court of Porto Rico	476.00	
Total advanced for judicial expenditures		$302,946.47
Total amount advanced from insular revenues		2,453,556.24
(2) Payments of claims by the auditor from insular revenues—for fees paid to United States commissioners, water furnished insular buildings by the municipality of San Juan, printing and stationery for the printing and supply division, refunds of taxes improperly collected, payments of 85 per cent of property taxes collected, payments of claims to private individuals, and loans to municipalities and school boards		1,088,237.27
(3) Transfers—from insular revenues to trust funds		14,987.53
Total amount paid from insular revenues, July 1, 1905, to June 30, 1906		3,556,781.04

II. PAYMENTS FROM TRUST FUNDS.

(1) Amounts advanced to disbursing officers of the insular government, from trust funds, on accountable warrants, for expenditures under the following heads, July 1, 1905, to June 30, 1906:

Department of the interior—		
Construction and repair of country roads in Porto Rico	$92,077.67	
Voluntary payments on account of certain roads and bridges	749.07	
Department of education:		
School extension (construction of schoolhouses)	64,433.36	
The University of Porto Rico	17,588.74	
Department of health, charities, and correction: Fees for candidates' examinations to practice medicine and pharmacy	325.00	
Treasury agents: Payments from deposits made by distillers for salaries of agents	1,846.67	
Cemetery at Aguas Buenas: Money advanced to municipality to repair cemetery	106.54	
Total amount advanced from trust funds		177,127.05
(2) Payments of claims by the auditor from trust funds, July 1, 1905, to June 30, 1906.		
Taxes collected by the treasurer of Porto Rico and repaid monthly to the treasurers of the municipalities:		
Municipal school taxes on property	$70,544.48	
Municipal bond redemption taxes	156,890.58	
Outstanding liabilities	9.62	
Payments of certificates of indebtedness issued by municipalities from taxes collected and retained by the treasurer of Porto Rico for that purpose	22,546.94	
Collections from various school boards and municipalities, held in trust for them on account of loans, now paid into the insular treasury to the credit of their accounts	37,089.42	
Payments of claims to individuals	20,975.77	
Total amount paid from trust funds on settlements		308,056.81
Total amount paid from trust funds		485,183.86

Transfers: From trust funds to insular revenues	$15,774.74	
Total amount paid from trust funds, including transfers		$500,958.60
Total expenditures July 1, 1905, to June 30, 1906		4,057,739.64
Total receipts to be accounted for June 30, 1906, page 4		4,676,046.05
Total expenditures July 1, 1905, to June 30, 1906, as above		4,057,739.64
Balance in the hands of the treasurer at close of business June 30, 1906		618,306.41
Which agrees with the balance as shown by the general ledgers of the auditor and the treasurer, as follows:		
To credit of insular revenues	$405,215.18	
To credit of trust funds	213,091.23	
Total		618,306.41

Comparison of the balances of insular revenues and trust funds for the fiscal year 1905–6 and the previous year of 1904–5.

Balance of insular revenues on hand June 30, 1905	$416,794.19
Balance of insular revenues on hand June 30, 1906	405,215.18
Decrease in balance of insular revenues during the fiscal year 1905–6	11,579.01
Balance of trust funds on hand June 30, 1905	341,437.16
Balance of trust funds on hand June 30, 1906	213,091.23
Decrease in balance of trust funds during the fiscal year 1905–6	128,345.93

Distribution of trust funds.

I. Balance to credit of general allotment—appropriation by Congress of revenues collected on importations from Porto Rico to United States	$105,072.10
II. School extension in Porto Rico	50,815.52
III. Construction and repair of country roads in Porto Rico	5,884.16
IV. Balance of sundry trust fund receipts, deposited with the treasurer of Porto Rico as trust-fund appropriations	30,310.45
V. Individual deposits—deposits by individuals for demarcation of mines, supply contract bonds, etc	21,009.00
Total, as above stated	213,091.23

RECAPITULATION.

[Receipts and expenditures from July 1, 1905, to June 30, 1906.]

RECEIPTS.

Insular revenues.

Customs receipts	$716,111.20	
Internal revenue receipts	2,444,719.51	
Miscellaneous receipts from sundry sources	197,071.91	
Total insular revenues deposited	3,357,902.62	
Repayments	177,200.00	
Transfers to insular revenues from trust funds	10,099.41	
Total deposits and repayments of insular revenues		$3,545,202.03

Trust funds.

Trust funds deposited	$341,648.49	
Repayments to trust funds	15,976.65	
Total trust fund deposits and repayments	357,625.14	

Transfers from insular revenues	$14,987.53	
Total trust fund deposits, repayments and transfers		$372,612.67
Total deposits, transfers and repayments, from July 1, 1905, to June 30, 1906		3,917,814.70
Balance on hand at close of business June 30, 1905		758,231.35
Total receipts to be accounted for		4,676,046.05

EXPENDITURES.

Amounts advanced to disbursing officers from insular revenues.

Total amount advanced for legislative expenditures		$58,681.41
Total amount advanced for executive expenditures		2,091,928.36
Total amount advanced for judicial expenditures		302,946.47
Total amount advanced from insular revenues		2,453,556.24
Payment of sundry claims on settlements		1,088,237.27
Transfers from insular revenues to trust funds		14,987.53
Total amount paid from insular revenues		3,556,781.04

Amounts advanced to disbursing officers from trust funds.

Treasury department	$1,846.67	
Department of the interior	92,826.74	
Advanced to University of Porto Rico	17,588.74	
Department of education	64,433.36	
Department of health, charities, and correction	325.00	
Advance to municipality of Aguas Buenas	106.54	
Total amount advanced from trust funds	177,127.05	
Payment of sundry claims on settlements	308,056.81	
Transfers to insular revenues	15,774.74	
Total amount paid from trust funds		$500,958.60
Total expenditures, July 1, 1905, to June 30, 1906		4,057,739.64
Total receipts to be accounted for		4,676,046.05
Total expenditures		4,057,739.64
Balance on hand June 30, 1906		618,306.41
Made up as follows:		
Insular revenues	$405,215.18	
Trust funds	213,091.23	
		618,306.41
Decrease in balance of insular revenues:		
Balance of insular revenues June 30, 1905		416,794.19
Balance of insular revenues June 30, 1906		405,215.18
Decrease in balance of insular revenues during the fiscal year 1905–6		11,579.01
Decrease in balance of trust funds:		
Balance of trust funds June 30, 1905		341,437.16
Balance of trust funds June 30, 1906		213,091.23
Decrease in balance of trust funds during the fiscal year 1905–6		128,345.93

Exhibit E.

REPORT OF THE COMMISSIONER OF THE INTERIOR.

Office of the Commissioner of the Interior,
San Juan. P. R., July 5, 1906.

Sir: In compliance with your letter of June 21, I have the honor to submit the following brief statement of the work of this department during the fiscal year ending June 30, 1906.

MAINTENANCE OF ROADS.

The maintenance of insular roads has been carried on by the field and office force as organized by Mr. J. S. Elliott, former commissioner of the interior. This organization was very fully explained in his report to you for the year 1904–5.

The results obtained by the system employed during the fiscal year 1905–6 have been so satisfactory that no change will be made for the year 1906–7, except the extension of this system to an additional 125.5 kilometers of road, which will make for maintenance during the year 1906–7 a total of 805.5 kilometers instead of 680 for the year 1905–6.

For the compensation of labor, purchase of material, rent of tool sheds and caminero houses, repair to bridges, road houses, bulkheads, and embankments, and other necessary expenses other than in the department of the interior in San Juan, in connection with the maintenance and repair of insular roads, there was appropriated the sum of $200,000. This money was expended as follows:

1. For the maintenance of 680 kilometers of road	$137,201.12
2. For the Carolina bridges	39,119.17
3. For the Caguas bridge	9,259.01
4. For changing width of bridges on the Lares road	805.54
5. Changing width of bridge on the Arroyo road	621.58
6. Culverts on road No. 7	870.10
7. Building road from kilometers 9 to 16 of the Ponce-Guayama road	5,000.00
8. Cement, pump, etc., to be used in various bridges	7,123.48
Total	200,000.00

The table of expenditures for maintenance of roads, presented as Table No. 1, will show the material bought and money expended on each section of road under maintenance.

TABLE No. 1.—*Expenditures for maintenance of insular roads, year ending June 30, 1906.*

Road divisions.	Length.	Broken stone and gravel for macadam.							
		On hand from last year.	Stone delivered July 1, 1905, to June 30, 1906.			Stone placed.			Balance June 30, 1906.
			Cubic meters.	Cost.	Average cost per cubic meter.	Cubic meters.	Cost.	Average cost per cubic meter.	
	Kilos.	*Cubic meters.*							*Cubic meters.*
San Juan to kilometer 36.	36	5,742	4,136	$10,482.18	$2.53	9,122	$7,522.59	$0.82	756
Kilometer 36 to kilometer 80	44	606	1,662	2,641.37	1.59	1,330	2,341.79	1.76	938
Kilometer 80 to Ponce Playa	54	2,325	3,085	5,162.08	1.67	4,361	3,980.59	.91	1,049
Catano to Vega Alta	27	432	688	816.15	1.19	1,097	1,159.42	1.06	23
Aguadilla to Camuy	42	702	1,758	2,007.35	1.14	2,045	2,752.63	1.35	415
Mayaguez to Añasco	9	188	1,340	2,377.64	1.77	1,184	948.41	.80	344
Mayaguez to Yauco	45	1,745	578	646.13	1.12	1,336	1,401.12	1.05	987
Ponce Guayama	41	1,801	2,558	1,059.25	.41	4,359	737.11	.12	.....
Cayey Arroyo	34	878	1,641	2,204.67	1.34	2,085	2,006.99	.96	434
Arroyo Puente Blanco	4								65
Caguas Humacao Playa	39	60	1,067	1,310.82	1.23	1,062	826.48	.78	65
Ponce Arecibo	82	1,629	1,999	2,199.17	1.10	2,477	3,945.93	1.59	1,151
Rio Piedras Fajardo [a]	50	100	3,423	3,872.62	1.13	2,213	2,106.76	.95	1,310
Trujillo Alto branch [b]	4	.....	690	414.00	.60	690	343.52	.50	.....
Fajardo to Naguabo Playa	20	.....	1,389	441.62	.32	1,384	943.41	.68	5
Yabucoa to Maunabo [c]	9	136	.....	.....	.....	11	65.20	.....	125
Humacao to Yabucoa	15	.....	1,757	233.41	.13	1,757	233.40	.13	.....
Aguadilla to Lares	38	182	5,467	8,428.91	1.54	4,655	4,940.70	1.06	994
Bayamon Comerio	19	450	52	50.00	.96	375	226.70	.60	127
Reyes Catolicos Corozal	16	648	358	302.15	.84	991	539.43	.54	15
Manati Ciales and Morovis branch	25	403	787	204.89	.26	886	904.96	1.02	304
Mayaguez Las Marias	27	650	330	111.06	.34	973	1,139.12	1.17	7
Total	680	18,677	34,765	44,965.47	1.29	44,393	39,066.26	.88	9.049

Road divisions.	Inspection.	Tools, repairs and purchase.	Landslides, cleaning, etc.		Miscellaneous house rent, repairs to road house.	Repairs bridge and culverts.	Totals.	Average cost of maintenance per kilometer.
			Cost.	Average cost per kilometer.				
San Juan to kilometer 36.	$2,029.25	$1,474.52	$932.01	$25.89	$1,091.42	$166.05	$23,698.02	$658.28
Kilometer 36 to kilometer 80	1,877.00	335.34	1,440.95	32.75	531.04	77.99	9,245.48	210.12
Kilometer 80 to Ponce Playa	2,154.00	366.20	357.50	6.62	78.91	462.64	12,561.92	232.63
Catano to Vega Alta	979.00	62.56	419.96	15.55	67.10	81.14	3,585.33	132.7
Aguadilla to Camuy	1,521.00	492.74	513.70	12.23	132.88	274.55	7,694.85	183.21
Mayaguez to Añasco	344.00	89.61	57.98	6.44	147.75	510.59	4,475.98	497.33
Mayaguez to Yauco	1,498.00	136.58	1,074.15	23.87	96.99	438.78	5,291.75	117.59
Ponce Guayama	1,642.00	34.33	76.25	1.86	17.61	142.52	3,709.07	90.46
Cayey Arroyo	1,345.00	232.57	1,342.60	35.33	398.71	14.79	7,545.33	198.56
Arroyo Puente Blanco								
Caguas Humacao Playa	1,726.73	119.40	671.89	17.23	127.15	292.27	5,074.74	130.12
Ponce Arecibo	2,675.33	88.20	2,178.72	26.57	233.31	172.37	11,493.03	140.16
Rio Piedras Fajardo [a]	2,262.00	47.05	514.39	10.29	813.27	182.48	9,798.57	195.97
Trujillo Alto branch [b]	.....	6.30	188.50	47.13	478.26	56.00	1,486.58	371.64
FajardotoNaguabo Playa	1,054.14	34.75	292.69	14.63	21.02	68.63	2,856.26	142.81
YabucoatoMaunabo	238.00	19.00	327.38	36.38	18.83	5.00	774.50	86.06
HumacaotoYabucoa	126.00	.....	170.19	11.35	11.50	.....	673.41	44.89
AguadillatoLares	2,013.00	208.59	2,167.83	57.05	232.34	301.15	18,292.52	481.38
Bayamon Comerio	657.00	79.50	653.07	34.37	5.00	.....	1,671.27	87.96
Reyes Catolicos Corozal	657.00	.....	300.88	18.80	3.50	274.23	2,077.19	129.82
Manati Ciales and Morovis branch	738.67	35.71	270.23	10.81	79.66	72.00	2,306.12	92.24
Mayaguez Las Marias	896.00	18.07	694.43	25.72	18.56	11.96	2,889.20	107.01
Total	26,433.12	3,881.02	14,645.30	21.53	4,604.81	3,605.14	137,201.12	201.77

[a] $655.15 for ferryboat at Carolina River.
[b] Some construction.
[c] Repairs made with tosca not included in broken stone.

Average of stone used per kilometer, 65.3 cubic meters.
Average of stone bought per kilometer, 51.1 cubic meter.

The average cost per kilometer has been reduced this year to $201.77. Upon estimates made early in the fiscal year it was thought that this work could be done for about $190 per kilometer, but owing to the phenomenal increase in sugar cane and tobacco planting, which also increased the price of labor, it was impossible to get to this figure. Almost a general increase of 5 cents per day was made in the wages of the laborers, but even this, at times, was not enough inducement to bring the laborers to our work, which was therefore carried on with a very limited force. The cost of transportation has also increased, and in many sections of the island this increase has amounted to more than 50 per cent. For instance, carts from San Juan to Caguas to-day are scarce at $14 per trip, while last year this same trip was made for $8.

The sections of road from San Juan to kilometer 38, Aguadilla to Lares, and Mayaguez to Añasco have received special attention this year. Resurfacing on these roads was badly needed. A glance at Table No. 1 will show the amount of broken stone used.

For the 680 kilometers of road under maintenance an average per kilometer of 65.3 cubic meters of stone was used during the year, and it is safe to say that under the careful supervision given to this work every meter has been used to good advantage. Instead of putting on entirely a new course of stone 4 inches in depth where the roads had become rutted or slightly worn, we have picked the old surface, and by the addition of a small quantity of stone these roads have been put in first-class condition, thus reducing the amount of stone used per kilometer and increasing the number of kilometers left in good repair.

The work shown in the table under the heading "Landslides, cleaning, etc.," has consisted principally of work known as "rebaje de paseos," or the cuting down of shoulders.

The old system of building roads in Porto Rico was to build a road with very little crown and with shoulders practically level. Previously the roads were maintained by the system of "peones camineros," who were continuously cutting the grass on these "paseos," or shoulders. Having done away with this system, we find that the grass on these shoulders grow up and in rainy weather catches all the dirt and refuse from the road, which has naturally been washed toward the sides by the heavy rains. We have spent considerable money this year in different sections of the island, giving to the "paseos" a slope which, even with the grass growing upon them, will in no way retard the flowing of water and refuse into the side ditches. It is true that this work is not necessary on all insular roads, and that during the past year it was only done on those sections where so much refuse had accumulated on the "paseos" that it was impossible for the water to flow immediately into the ditches. During the coming fiscal year we will complete the "rebaje de paseos," so that in future years very little of this work will have to be done.

The following comparative table will show the expenditures for maintenance for the last four years.

TABLE No. 2.

Year.	Kilometers under maintenance.	Total cost of maintenance.	Cost per kilometer.	Broken stone used per kilometer.
				Cubic meters.
1903	445.1	$176,783.07	$397.18	62.5
1904	518.2	193,737.37	373.87	58.3
1905	662.0	193,021.17	291.57	66.5
1906	680.0	137,201.12	201.77	65.3

CAROLINA BRIDGE.

Contracts for erecting a 34-meter steel bridge, a 14.4-meter steel bridge, the abutments and erection of a 19.5-meter steel span, and for the west abutment, and steel for a 96-meter bridge were awarded during the year.

The $39,119.17 to pay for the above work was set aside from the $200,000 appropriation. To complete the work $18,000 will be needed.

With the exception of the 96-meter steel span and the west abutment, all of the work has been accepted by this department.

As the east abutment of the 96-meter span and the abutments for the 14.4 and the 34 meter spans were built by the Spanish Government and were in very satisfactory condition, it was thought advisable to complete the work started by the Spanish engineers rather than to change the location of the bridge to a site which, in the opinion of the engineers of this department, would be more satisfactory, but which would not warrant the abandonment of the abutments already constructed. In addition to the abutments, the steel for 34 and 14.4 meter spans was at the bridge site.

I think that it would be well at this time to give a brief history of the Carolina bridge.

Across the Rio Grande de Loiza, Carolina, the Spanish Government had built a two-span wooden bridge of 67 meters, at an estimated cost of 50,000 pesos. During a great storm, which occurred the 29th of June, 1860, the central pier of this bridge was destroyed, carrying away, when it collapsed, the two wooden spans.

On August 17, 1891, another heavy flood undermined and destroyed the west abutment.

In the year 1896 the Spanish Government made a plan for the reconstruction of the works, to consist of one steel span of 81.4 meters, two of 7.20 meters, and one of 34 meters, with an aggregate length of 129.8 meters, at an estimated cost of 104,453 pesos.

At the time of the American occupation, in the year 1899, the above works were under way, but the flood of August 8 of said year, during the cyclone of San Ciriaco, proved in the most conclusive manner that the works as projected were inadequate. The bureau of public works then decided to use the steel span of 81.4 meters for a bridge over the "Mata de Platanos" crossing of the Manati River, where it was placed some time later.

I beg to call your attention to two important changes made by the department in the project as approved by the Spanish officials. As shown by the history of the bridge the 81-meter span planned for the river crossing did not, as record has shown, give sufficient open-

ing for flood waters, so we are now building over the river a bridge of 96 meters, and in addition have erected a 19.50-meter span, the steel of which was sent from our storehouse at Ponce.

CAGUAS BRIDGE.

"El puente de las Damas," built over the Caguitas River in the year 1870 with the funds raised by the ladies of Caguas, was carried away during the flood which occurred at the time of the cyclone of 1899. Since that year this department has maintained at a very great expense a wooden bridge at this place.

A contract for steel for a 30.5-meter bridge for this place was signed on February 8, 1906. A contract was also let for the abutments, which were to be completed February 20, 1906. The contractor not having sufficient plant or personnel sufficiently qualified to carry on this work in the proper manner it was not completed at the expiration of the time set forth in the contract. Thinking that by allowing the contractor more time, but charging him the cost of inspection, that more activity would be displayed and the work completed, extensions of time were given him. In spite of these extensions the work dragged along, the contractor making no apparent effort to hasten the work. In June, 1906, owing to the refusal of the contractor to comply with certain clauses in the specifications, it was decided by this department to annul his contract. It is the intention now to finish this bridge by administration.

The iron bridges on the Aguadilla-Lares road, and one on the Arroyo-Patillas road, have only 2.95 meters for width of roadway, and as this width is barely sufficient to allow the passage of an ox cart it was decided to widen them. The bridges now have a width of 3.75 meters.

CULVERTS ON ROAD NO. 7.

The wooden culverts on road No. 7 being in such a condition that constant attention and repairs were necessary, a contract was let to replace them with concrete pipes. During the fiscal year 12 of these pipes were built at a cost, including excavation, etc., of $870.10.

CONSTRUCTION, PONCE-GUAYAMA.

Three years ago, while repairing the road between Ponce and Santa Isabel, it was found that the section between kilometers 9 and 16, although not macadamized, was in such a condition that owing to the small amount of money appropriated for the work, it was decided not to repair this section. Last year, during the rainy season, it became so bad that immediate repairs were necessary, so $5,000 was taken for this purpose from the $200,000 appropriation for the maintenance of roads.

TRUST FUND.

The table entitled "Construction and repair of roads and bridges under trust fund" will show very clearly the status of all the allotments made from this fund.

During the year the Arroyo-Patillas and Humacao-Yabucoa roads were completed; that is to say, all grading, culverts, and macadam. There are several bridges to be built on these roads, but until the general plan of roads approved by the last legislature is near completion I would not recommend any great expenditure of money for this purpose, for excepting a few hours after heavy rains these streams can always be forded with safety.

It was made possible to complete the Patillas road with a small amount available by the great help given by the property owners in that vicinity in the way of furnishing carts free. When they were needed we had at our disposal 20 carts a day. In spite of promises, this spirit was not shown by the people of Humacao during the construction of the road from that town to Yabucoa. We did, however, receive a little help from a few people at the Yabucoa end.

The legislature in the year 1903 made an appropriation for the building with convict labor of the Humacao-Yabucoa and the Jayuya-Alto de la Bandera roads. After building expensive quarters and on the Humacao-Yabucoa section breaking a small amount of stone it was found that the work was too expensive, so the prisoners were returned to San Juan.

The trust-fund allotments for the construction of the two roads were increased by adding to them the balance of the convict-labor appropriation.

The above statement is given to explain "Convict labor" in the remark column, Table No. 3.

On the Barros-Barranquitas and on the Jayuya-Alto de la Bandera roads work is still in progress. The table will show the work completed, money expended, and the work to be done.

The change of grade on the Adjuntas-Lares road near the town of Lares is not yet completed. The allotment for this work amounts to $3,000.

On the Cataño-Rio Piedras and the Rio Piedras-Trujillo Alto roads allotments were made to pay for the prison guards and other neccessary expenses incident to the employment of convict labor on these roads. Table No. 3 will show the results of this work up to June 30, 1906.

TABLE NO. 3.—*Construction and repair of roads and bridges under—*

TRUST FUND.

JUNE 30, 1906.

Designation.	Appropriation.	Amounts disbursed to June 30, 1905.	Amounts disbursed during 1905-6.	Balance June 30, 1906.	Length of road under construction or repair under allotment.	Built to June 30, 1905.	Built during 1905-6.	Length to be built.	Remarks.
					Kms.	*Kms.*	*Kms.*	*Kms.*	
San Lorenzo to Caguas road	$15,000.00	$15,000 00	.....	.....	9.5	8.0	.....	1.5	
Yabucoa to Maunabo road	43,000.00	42,560.28	$439.72	.....	9.0	9.0	.....	.....	
Arecibo to Ponce road:									
Arecibo to Bacupey	42,726.00	42,726.00	.....	.....					
Defendini to kilometer 15	90,000.00	90,000.00	.....	.....	22.0	22.0	.....	.....	39.2 kilometers built under other allotments under military government.
Adjuntas to Utuado	79,000.00	79,000.00	.....	.....					
Tallones	85,000.00	85,000.00	.....	.....					
Manati to Ciales road	42,357.19	42,357.19	.....	.....	4.5	4.5	.....	.....	8.5 kilometers built under other allotments under military government.
Caguas to Humacao road	65,000.00	65,000.00	.....	.....	39.0	39.0	.....	.....	Road built by military government and afterwards repaired under this allotment.
San German to "Pezuela" Bridge road	16,500.45	16,500.45	.....	.....	6.0	6.0	.....	.....	
"Mavilla" River bridge	15,000.00	15,000.00	.....	.....	.....	.....	.....	.....	Completed except railing.
Fajardo to Naguabo Playa road	22,000.40	21,999.78	.62	.....	20.0	9.5	.....	7.0	3.5 kilometers fixed up with regular appropriations for maintenance during years 1905 and 1906.
San Sebastian to Lares road	92,002.00	92,002.00	.....	.....	14.8	14.8	.....	.....	
Yauco to Sabana Grande road	69,077.13	69,077.13	.....	.....	16.5	16.5	.....	.....	
Retaining wall at "Caniaco"	17,407.00	17,407.00	.....	.....	.....	.....	.....	.....	Completed.
Right of way damages	2,637.89	2,637.89	.....	.....	.....	.....	.....	.....	
Bayamon to Comerio road	120,250.00	120,000.00	250.00	.....	14.5	14.5	.....	8.0	3.8 kilometers built under other allotments under military government.
Mameyes to Fajardo road	36,000.00	36,000.00	.....	.....	18.0	12.0	.....	6.0	
Ponce to Guayama road	50,000.50	50,000.50	.....	.....	56.0	34.0	.....	22.0	
Camuy to Aguadilla road	46,494.77	46,494.77	.....	.....	42.3	41.8	.....	.5	
Naguabo to Naguabo Playa	4,000.00	4,000.00	.....	.....	.....	.....	.....	.....	
"Portugues" River bridge	4,250.00	4,250.00	.....	.....	.....	.....	.....	.....	Completed.
Mayaguez to Cabo-rojo road	12,500.00	12,500.00	.....	.....	5.8	5.8	.....	.....	
"Añasco" River bridge	8,302.26	8,302.25	.....	.....	.....	.....	.....	.....	Do.
Vega Alta road	6,000.00	6,000.00	.....	.....	6.0	3.2	.....	2.8	
San German to Lajas road	4,500.00	4,500 00	.....	.....	4.0	2.0	.....	2.0	
Arroyo to Patillas road	11,497.17	8,212.27	3,284.90	.....	7.5	4.5	3.0	.....	

TABLE No. 3.—*Construction and repair of roads and bridges under*—Continued.

TRUST FUND—Continued. JUNE 30, 1906.

Designation.	Appropriation.	Amounts disbursed to June 30, 1905.	Amounts disbursed during 1905–6.	Balance June 30, 1906.	Length of road under construction or repair under allotment.	Built to June 30, 1905.	Built during 1905–6.	Length to be built.	Remarks.
					Kms.	*Kms.*	*Kms.*	*Kms.*	
Aibonito to Barranquitas road	$21,000.00	$21,000.00	.....	.....	11.8	11.8	.....	.....	
Mayaguez to Consumo road	20,500.00	20,500.00	.....	.....	14.0	14.0	.....	.....	
Las Marias road	19,087.23	15,929.11	$3,158.12	.....	4.5	4.5	.....	.....	8 kilometers built under military government. Amount disbursed during 1905–6 belongs to work done in previous fiscal year.
Consumo to Maricao road	12,394.69	12,394.69	.....	.....	10.0	7.0	.....	3.0	
Sabana Grande to San German road	10,000.00	10,000.00	.....	.....	8.2	7.5	.....	.7	
Manati to Ciales road, Morovis branch	8,900.00	8,900.00	.....	.....	11.7	11.7	.....	.....	6 kilometers built under military government.
Rio Piedras to Trujillo, Alto branch	9,355.31	7,923.72	1,431.59	.....	8.0	3.5	1.5	3.0	
"Manati" River bridge	15,266.47	6,785.05	8,481.42	.....	.....	.....	.....	.....	Completed.
Coamo Springs road	1,914.90	1,914.90	.....	.....	5.0	3.0	.....	2.0	
Barros to Barranquitas road	37,000.00	7,995.13	26,476.54	$2,528.33	16.3	.....	11.0	5.3	
Jayuya to Alto de la Bandera road	34,361.14	14,425.82	17,763.85	2,171.47	23.0	4.5	10.5	6.0	6,234.05. Convict labor.[a]
Humacao to Yabucoa road	27,505.23	13,096.80	14,408.43	.....	15.0	4.0	8.0	3.0	3,925.48. Convict labor.[a]
Comerio to Naranjito road	5,000.00	5,000.00	.....	.....	6.0	4.0	.....	2.0	
Adjuntas to Lares road	3,000.00	.....	2,533.15	466.85	1.4	.....	1.2	.2	
Cataño to Rio Piedras road	1,000.00	.....	282.49	717.51	2.0	.....	.5	1.5	
Total	1,226,787.73	1,142,392.74	78,510.83	5,884.16	432.3	322.6	32.9	82.7	

VOLUNTARY PAYMENTS—TRUST FUND.

Ponce to Peñuelas road—trust fund	$500.00	.....	$307.90	$192.10	.....	.....	.....	.....	Under survey.
Voluntary payments for the construction, Ponce to Peñuelas road—trust fund.	180.00	.....	85.50	94.50	.....	.....	.....	.....	Do.
Constructing Cialitos River bridge	514.00	.....	27.50	486.50	.....	.....	.....	.....	Structure under contract.
Total	1,194.00	.....	420.90	773.10	.....	.....	.....	.....	

[a] These amounts not included in appropriation or amount disbursed, but have been expended on these roads.

NEW CONSTRUCTION.

An appropriation of $50.000 for road construction was made by the legislature in March, 1906, this money to be expended to complete the construction of any or all of the following roads: Comerio-Bayamon, Rio Grande-Fajardo, Fajardo-Naguabo, Ponce-Guayama, San Lorenzo-Las Piedras, and San German-Lajas.

Work was begun immediately on the above roads, and Table No. 4 will show the money expended and work completed up to June 30, 1906.

TABLE No. 4.

[$50,000 appropriation.]

Roads.	Appropriations.	Amount disbursed to June 30, 1906.	Balance June 30, 1906.	Work done.
Bayamon-Comerio	$20,000	$4,378.79	$15,621.21	Rock and earth grading, 2 kilometers.
Ponce-Guayama	10,000	3,312.31	6,687.69	Earth grading, 3¼ kilometers.
Rio Grande-Naguabo	12,000	1,527.37	10,472.63	Grading 500 linear meters of road.
San Lorenzo-Las Piedras	6,000	1,795.23	4,204.77	Grading 1,500 linear meters; macadam placed 600 linear meters.
San German-Lajas	2,000		2,000.00	
Total	50,000	11,013.70	38,986.30	

Not finding any record of explanation or report to you in reference to the policy pursued by this department in road construction for the past two years, and as we are shortly to begin construction work under the million-dollar loan, I think that an outline of this policy in the present report would be opportune.

In view of the great and immediate need of roads for the transportation of the constantly increasing crops in the island, and the limited resources available for road construction, it was decided to build just as many kilometers of road as possible, trying in every way to reduce first cost by excluding the construction of bridges which were not absolutely necessary. Dry masonry, costing less than $2 per cubic meter, is being used instead of cement masonry, which costs over $8 per cubic meter. Small wooden culverts are being erected. In some places the beds of small streams which cross the roads at grade are being paved. The stone being used for the macadam is the best obtainable. All this work is of a permanent nature excepting wooden culverts, which, of course, will have to be repaired or rebuilt. It is the intention of this department, when such repairs become necessary, to rebuild these culverts and pipes of masonry and concrete, doing a little work each year with money from the appropriations for the maintenance of roads. This will also be done to the streams now being paved. Of course, in some places masonry and concrete culverts are being built, as nothing else would stand the rush of water from some of our mountain streams.

The benefit of this policy is very clearly demonstrated by the results accomplished on the Jayuya-Alto de la Bandera road. The estimate for building this road with masonry culverts, etc., amounted to $165,075. We will complete this work—21 kilometers of road—for less than $50,000, and the depth and width of the macadam now being placed is the same as that of the original estimate.

PUBLIC BUILDINGS.

For the maintenance, repair, and construction of public buildings there was allotted or appropriated for use during the fiscal year 1905–6 the following:

1. Expenses, executive mansion (this appropriation was increased $0.14 by a disallowance made by the auditor in the month of December, 1905)	$12,000.00

This amount has been practically expended in general repairs for the conservation of the building, care of grounds, wages of employees in connection therewith, telephone service, purchase, renewal, and repair of furniture and miscellaneous and necessary incidental expenses.

2. Maintenance and repair of public buildings (this includes $15,000 appropriated by the legislature and $1,303.26 transferred by the governor)	$16,303.26
3. Water rental	10,000.00
4. Electric lights	5,000.00
5. Chapel Boy's Charity School, transferred from miscellaneous expenditures subject to the approval of the governor	1,500.00
6. Reform school, Mayaguez, not to exceed	20,000.00
7. District court, Arecibo (balance July 1, 1905, of no fiscal year appropriation)	1,902.50
8. Military barracks, Ponce, for district court and jail (balance July 1, 1905, of no fiscal year appropriation)	2,718.94
9. Infantry barracks, Mayaguez, installation of district court and insular police	1,800.00
10. Infantry barracks, Mayaguez, installation of jail (allotted from appropriation for extension of jail systems in Porto Rico)	2,500.00
11. Arecibo jail (balance July 1, 1905, of no fiscal year appropriation)	34,406.88
12. Erection of second story on the Presidio (allotted from appropriation for extension of jail system in Porto Rico)	20,000.00

In the maintenance and repair of public buildings, the $13,403.26—left after deducting $2,900, the amount transferred for water and light—was expended for repairs in the following buildings:

1. Intendencia, San Juan.
2. Diputacion building, San Juan.
3. Audiencia, San Juan (property of Federal Government, but second floor used by the supreme court and maintained by the insular government).
4. Pabellon, San Juan.
5. Fortaleza No. 5, San Juan.
6. Fortaleza No. 2, San Juan (section 1, residence of the commissioner of education; section 2, residence of the auditor; section 3, residence of the commissioner of the interior).
7. Manicomio, San Juan.
8. Presidio, San Juan.
9. San Francisco Barracks, San Juan.
10. San Francisco No. 60, San Juan.
11. Public Works Storehouse, Marina San Juan.
12. Public Works Storehouse, "Hornos Militares' terraplen, San Juan.
13. Insular police barracks, Puerta de Tierra, San Juan.
14. San Geronimo powder magazine, Puerta de Tierra, San Juan.
15. Girls' Charity School, Santurce, San Juna.
16. Boys' Charity School, Santurce, San Juan.
17. Convalencia, Rio Piedras, San Juan.
18. Leper Colony, Cabras Island, San Juan.
19. Jail and court building, Ponce.
20. Blind Asylum, Ponce.
21. Public Works Building, Ponce.
22. Capitania del Puerto, Ponce.

23. Capitania Playa de Mayaguez.
24. Old agricultural station, Mayaguez.
25. Barracks, Mayaguez.
26. District Jail, Arecibo.
27. District Court Building, Arecibo.
28. Industrial School Building, Arecibo.
29. Government Industrial building, Caguas.
30. Government building, Humacao.
31. Government building, Vieques.

These repairs consisted principally in the installation of sanitary plumbing systems in the Intendencia, Fortaleza No. 5, and in the Presidio, and in general plumbing affairs in various buildings; also in renovating and improving the government building at Caguas, repair of building occupied by the insular police at Ponce, construction of a new drafting room in the intendencia building, and for general repairs and painting in various buildings.

The $10,000 appropriated for water and the $5,000 for light, proved insufficient and it was necessary to transfer from the $16,303.26 for repair and maintenance of public buildings the sum of $2,900.

CHAPEL BOYS' CHARITY SCHOOL.

This money was expended for the building of a new roof and general conservation of the building.

REFORM SCHOOL.

As it was impossible to obtain from the city of Mayaguez a good title on the land offered by the municipality for the reform school, so no money of the $20,000 available for the construction of this building has been expended, except the salary of the employee engaged upon the drawing up of plans and the necessary expenses in investigating the proposed site. The plans are completed and work can be begun upon the acceptance of the site by the governor.

Work at the district court of Arecibo, military barracks at Ponce, and infantry barracks of Mayaguez, for which special appropriations or allotments were made, consisted principally in the installation and fitting up of the buildings for the purposes intended.

ARECIBO DISTRICT JAIL.

In September, 1905, a contract amounting to $28,995 was awarded for the construction of the Arecibo jail. This building was practically completed on June 30, 1906.

As the lease which the insular government held for the building used as a jail at Puerta de Tierra expired on June 30, 1906, and as the city, at a sale held on February 20, 1906, sold this building to the American Tobacco Company, we were forced to provide quarters before July 1 for the prisoners therein confined. Knowing that the Arecibo jail would be completed by July 1, the great necessity was to provide quarters for the sick, women prisoners, and men awaiting trial. It was decided that the only way that this could be done before July 1 would be to build a second story on the Presidio. Work started on April 3, and the prisoners began to move in June 30, 1906.

The money allotted for the boys' charity school, girls' charity school, Manicomio, and leper colony, was expended principally in general repairs of the buildings, such as new floors, improving the plumbing and general painting.

PUBLIC LANDS.

Owing to the fact that there never has been an appropriation made for the survey of public lands it is absolutely impossible to make any definite report on this important branch of this department.

During the past year the chief of the bureau and the clerk have been busy classifying and tabulating the records concerning public lands. In addition, the following surveys have been made: The property known as "Los Oficiales" at Mayaguez, 200 acres; normal school property at Rio Piedras, 68 acres, and also a survey near the lagoon San Jose and Torrecillas which will give an approximate area of 3,500 acres.

Realizing the necessity of having surveys made it was possible to use some of the money appropriated for contingent expenses, office of the commissioner.

Table No. 5 shows the land and buildings rented under article 135 of the political code.

Propositions for renting public lands have been received from nearly all the towns of the island, but owing to the lack of surveys and the very poor descriptions we have of the public lands it has been impossible to lease more public properties than those shown in Table No. 5.

TABLE No. 5.—*Leases made during fiscal year 1905–6.*

Name.	Description.	Locality.	Date of contract.	Time.	Rent.		Assessed value.
					Annual.	Monthly.	
Fritze-Lundt & Co	Tinglodode la Playa	Ponce	Oct. 14,1905	3 years		$51.00	
Miguel de Porrata Doria	Lands of caja de Muertos Island	do	Sept. 3,1905	15 years	$50.00		
Gandia and Stubbe	Left wing of Hornos Militares	San Juan	Dec. 1,1905	2 years	240.00		
Victor Mourraille	Keys called Manuel Kitt chirade afuera y de Tierra	Vieques	do	5 years	21.54		
Central Aguirre	Islas Caribes	Jobos Bay	Feb. 20,1905	10 years	50.00		
Louis E. Tuzo	Right wing Hornos Militares	San Juan	Jan. 1,1906	1 year		40.00	
Eugenio Morales	82 cuerdas	Peñuelas	Jan. 15,1906	10 years	35.00		$700.00
	60 cuerdas				46.20		924.00
Luis M. Purcell	City lot calle de Bertoly	Ponce	Jan. 26,1906	do	22.50		100.00
Marcelino Rivera	20 cuerdas, barrio San Patricio	do	Feb. 23,1906	4 years	5.00		100.00
	30 cuerdas, barrio San Patricio						
Cristobal Hernandez	37 cuerdas of land, barrio Marueno	do	Feb. 6,1906	do	37.00		740.00
Juan Principe	54 cuerdas of land, barrio San Patricio	do	Feb. 25,1906	do	30.00		300.00
Pedro Freire	30 cuerdas of land, barrio Rabanal	Cidra	Feb. 5,1906	do	28.26		565.00
Cesareo Rivera	30 cuerdas of land, barrio Bayamon	do	Feb. 15,1906	do	10.50		210.00
Juan Delgado	50 cuerdas of land, barrio San Patricio	Ponce	Mar. 19,1906	do	84.00		1,600.00
Manuel Agosto	80 cuerdas of land, barrio Cuyuy	Loiza	Feb. 10,1906	8 years	40.00		
Porto Rican Leaf Tobacco Co	Caminero House	Kilm. 80, Road N. I.	Mar. 3,1906	3 months		50.00	
United States Government	Post-office	San Juan	Sept. 1,1905	5 years	2,700.00		
Sandalio Montilla	Caminero House	Caguas	May 21,1906	2 years		4.00	

CONTRACTS OF LEASE PRIOR TO FISCAL YEAR 1905–6.

United States Government	Office for the weather bureau	San Juan, Fortaleza st., N.S.	Jan. 8,1901	5 years	$600.00		
Enrique Bird	96 cuerdas of land, barrio Quebrada Fajardo	Fajardo	Jan. 31,1905	do	240.00		
Enrique Chevalier	524.30 cuerdas of land, barrio Guayanilla	Ponce	Dec. 17,1904	15 years	65.54		
P. J. Rosaly Telephone Co	Building known as Capitania del Puerto	Ponce Playa	Dec. 24,1904	5 years	240.00		

The insular treasury is collecting rent on public lands and buildings amounting to $6,290.54 per year. The land rented being less than 1 per cent of the total acreage of public lands in Porto Rico, much of which can not be considered as first class, it will be seen that a great benefit would be derived from the renting of all the public lands in the islands. This, however, can not be done until a sufficient appropriation is made for the purpose of making surveys and having the land properly registered.

With the $5,000 appropriated by the last legislature for use in the fiscal year 1906-7, we will be able to make surveys of land which, when rented, will show an annual return to the insular treasury far in excess of the amount appropriated.

I would recommend for the next fiscal year an appropriation of at least $20,000.

BUREAU OF DOCKS AND HARBORS.

The collection of harbor dues in San Juan, Ponce, and Mayaguez shows an increase of $4,119.31 over the previous fiscal year. The following comparative table will show the monthly collection in the three ports for the pasts two year.

TABLE NO. 6.—*Harbor fees in San Juan, Ponce, and Moyaguez.*

Month.	San Juan.		Ponce.		Mayaguez.	
	Fiscal year 1905–6.	Fiscal year 1904–5.	Fiscal year 1905–6.	Fiscal year 1904–5.	Fiscal year 1905–6.	Fiscal year 1904–5.
July	$1,917.67	$2,053.98	$259.19	$153.01	$162.09	$159.75
August	1,689.64	1,365.01	234.30	114.47	145.25	109.00
September	1,193.20	1,282.70	229.80	195.68	109.67	186.24
October	1,643.24	1,102.10	216.30	321.85	183.79	211.48
November	1,232.13	1,386.82	294.10	332.58	220.32	123.18
December	1,921.31	1,222.34	320.69	339.94	278.42	171.28
January	1,720.12	1,692.12	346.35	202.20	300.24	125.53
February	1,636.29	1,743.47	147.40	264.86	132.63	211.56
March	1,568.47	1,487.16	560.63	455.30	338.08	174.29
April	2,287.35	1,823.72	283.61	166.63	308.02	104.77
May	2,188.78	1,370.69	322.15	352.27	342.93	163.68
June	1,830.47	1,415.44	400.20	349.48	261.13	172.07
Total	20,828.67	17,945.55	3,614.72	3,248.27	2,782.57	1,912.83

RECAPITULATION.

Grand total fiscal year 1905–6	$27,225.96
Grand total fiscal year 1904–5	23,106.65
Increase	4,119.31

Increase 4,119.31

Table No. 7 gives particulars as to the number, character, and tonnage of vessels for the past two years.

TABLE No. 7.—*Number, character, and tonnage of vessels entering San Juan, Ponce, and Mayaguez.*

	San Juan.				Ponce.				Mayaguez.			
	Year 1905–6.		Year 1904–5.		Year 1905–6.		Year 1904–5.		Year 1905–6.		Year 1904–5.	
	Steam.	Sail.	Steam.	Sail.	Steam.	Sail.	Steam.	Sail.	Steam.	Sail.	Steam.	Sail.
American:												
Vessels	215	52	184	35	111	41	78	32	92	25	61	19
Tonnage	720,859	38,151	522,629	25,982	332,499	25,616	234,673	18,566	308,945	9,185	189,092	5,088
Foreign:												
Vessels	128	20	129	25	108	33	123	36	80	20	73	31
Tonnage	401,482	3,131	267,493	4,419	276,371	5,270	277,654	6,037	153,607	3,025	132,459	4,215
American Government vessels	73	.....	.....	.....	.....	.....	3	.....	17	.....	9	.....
Foreign government vessels	2	.....	.....	.....	.....	1	.....	.....	1	.....	1	.....
Other vessels	18	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....

In order to show the nature of this collection I insert below the text of sections 57 and 58 of the harbor regulations:

SEC. 57. Every vessel coming from ports outside the island of Porto Rico that enters, uses, or makes fast to any pier, wharf, or bulkhead in any harbor of Porto Rico, or makes fast to any vessel lying at such pier, wharf, or bulkhead, or to any other vessel lying outside of such vessel, shall pay for the use of such pier, wharf, or bulkhead for every calendar day or part thereof, as follows:

Every vessel of 200 tons or under, 2 cents per ton; and for every vessel of over 200 tons, 2 cents per ton for the first 200 tons, and three-quarters of 1 cent per ton for every additional ton.

Only 50 per cent of the above shall be collected on vessels having less than 50 gross tons.

These charges will be based on the vessel's gross tonnage, to be ascertained from the vessel's register, license, or other official documents, and in the absence of such documents, upon the estimate of the captain of the port.

SEC. 58. Every vessel coming from ports outside of the island of Porto Rico, entering and using a harbor and not using or making fast to any pier, wharf, or bulkhead, or does not make fast to any vessel lying at a pier, wharf, or bulkhead, or to any other vessel lying outside of such vessel, but uses the public wharf or bulkhead or shore for the purpose of loading or unloading merchandise or ballast by means of lighters, shall pay for a calendar day, or a part thereof, while so engaged in loading or unloading by means of lighters, the following:

Every vessel of 200 tons or under, one-half of 1 cent per ton; for every vessel of over 200 tons, one-half of 1 cent per ton for the first 200 tons and one-fourth of 1 cent per ton for every additional ton.

Only 50 per cent of the above shall be collected on vessels having less than 50 gross tons.

These charges will be based on the vessel's gross tonnage, to be ascertained from the vessel's register, license, or other official documents, and in the absence of such documents upon the estimate of the captain of the port.

The charges provided for in this section shall not apply to vessels calling for coal, water, or provisions necessary for a continuance of their voyage.

BUREAU OF INSULAR TELEGRAPH.

It has been found necessary, within the past few months to make certain radical changes in the bureau of insular telegraph. I found upon my arrival on the island that the telegraph service was costing the government of Porto Rico almost $20,000 annually in excess of its receipts. Upon investigation it was found that this was largely due to an unequal distribution of salaries, and that operators in offices

where the receipts were barely sufficient to pay for office rent were receiving salaries equal to those received by operators in large offices where the receipts were fairly high. It appeared also that while many of the offices in the island were supplied rent free by the various municipalities, other towns giving a minimum of receipts charged rental for the use of offices for telegraph purposes. I wrote to the alcaldes of the various municipalities where office rent was charged, calling their attention to the fact that many municipalities supplied the government with office room for telegraph stations without cost, and requested that they submit the matter to their respective municipal councils with a view to securing the same facilities. In 13 cases the municipalities agreed to do this. The others intimated that they also would supply us with office rent free, beginning with the fiscal year in July. There is every reason to expect that with the exception of the large stations in Ponce and Mayaguez, office rent will not be a factor in the expenditures of the insular telegraph service after January 1, 1907.

In one station, Quebradillas, where the receipts were unusually low and which has telegraphic service at a distance of a few kilometers on either side, it was decided to remove the office altogether.

At other points where receipts were very low and where there did not seem to be any possibility of such increase as to warrant the payment of an operator's salary, the telegraph station was removed and a telephone substituted, the operation of which only costs the government about $5 a month. So far this scheme has worked with great satisfaction.

The minimum salary of operators was $40 per month, and while the majority of the operators were employed at this salary there were others who received $1,080 per annum. In a great many cases the salaries of the operators exceeded the receipts of the office. In order to prevent the insular telegraph service being such a financial drag upon the government it was decided to make a general reduction in the salaries of the operators, reducing the salaries of those receiving $40 per month, in most cases, to $30, and making a proportional decrease through the service, until an adjustment of the actual cost of maintaining the telegraph service is definitely established. It was also decided to increase the price of paid messages to 25 cents per 10 words, which is the general rate in the United States. When these regulations were put into effect the operators of the insular telegraph service and the people of Porto Rico were notified that these measures were only temporary, and that as soon as an adjustment could be made increases would be made in the salaries of those operators who merited such treatment, and at the same time the price of paid messages would be reduced. This arrangement went into effect on June 1, 1906, and has worked very satisfactorily, the receipts of the office showing a decided increase over the expenditures.

It is hoped by the new arrangement to have the bureau of insular telegraph in such a condition by January 1, 1907, that the service will be self-supporting, and that the price of paid telegrams will be reduced to a minimum.

Table No. 8 shows the cash receipts and expenditures, earnings, etc., for the bureau of insular telegraph during the year 1905–6.

A comparative statement in tabulated form, Table No. 9, is added, giving cash receipts and expenditures for the past three years.

TABLE NO. 8.—*Statement showing amount of cash receipts, computed value of free messages, including the difference between half and full rates on official messages, apparent gross earnings, amount expended for salaries and incidentals, earnings—net and apparent—and the deficit for each month of the fiscal year 1905–6.*

Fiscal year 1905–6.	Cash receipts.	Value of free messages.	Apparent gross earnings.	Expended.		Total expended.	Earnings.		Deficit.
				Salaries.	Incidentals.		Net.	Apparent.	
July	$3,016.43	$2,245.38	$5,261.81	$4,031.65	$261.71	$4,293.36	.....	$968.45	$1,276.93
August	2,875.03	2,079.98	4,955.01	4,059.66	420.47	4,460.13	.....	494.88	1,585.10
September	3,090.32	1,870.86	4,961.18	4,037.68	526.55	4,564.23	.....	396.95	1,473.91
October	4,198.26	734.53	4,932.79	4,065.65	1,671.88	5,737.53	.....	.....	1,539.27
November	3,733.21	510.00	4,243.21	4,060.67	1,029.59	5,090.26	.....	.....	1,367.05
December	3,757.75	700.14	4,457.89	4,051.01	935.57	4,986.58	.....	.....	1,228.83
January	5,385.20	690.14	6,075.34	4,061.65	1,152.39	5,214.04	$171.12	861.30	.....
February	4,557.89	763.36	5,221.25	4,062.33	601.89	4,664.22	.....	557.03	106.33
March	5,967.36	887.42	6,854.78	4,066.67	486.55	4,553.22	1,414.14	2,301.56	.....
April	4,396.85	880.27	5,277.12	4,034.48	2,244.42	6,278.90	.....	.....	1,882.05
May	4,754.82	816.55	5,571.37	3,685.67	539.46	4,225.13	529.69	1,346.24	.....
June	4,608.12	758.20	5,366.32	3,460.67	2,106.23	5,566.90	.....	.....	958.78
	50,341.24	12,936.85	63,278.07	47,657.79	11,976.71	59,624.50	2,114.99	6,926.41	11,408.25
Net earnings	.....	.....	.....	.....	.....	.....	.....	.....	2,114.99
Actual deficit	.....	.....	.....	.....	.....	.....	.....	.....	9,293.26

NOTE.—The column "Deficit" shows the difference between cash earnings and expenditures. From October 1, 1905, all official messages except Police, Army and Navy paid half rate.

TABLE NO. 9.—*Statement showing total appropriated, total expended for salaries and incidentals, total cash receipts, total value of free business, total value of messages handled, and deficit for fiscal years 1903–4, 1904–5, 1905–6.*

Fiscal years.	Appropriation, salaries and incidentals.	Expended, salaries and incidentals.	Cash receipts.	Value of free business, including difference between half and full rate on official telegrams.	Total value of messages handled.	Deficit.
1905–6	$62,720.00	$59,634.50	$50,341.24	$12,936.83	$63,278.07	$9,293.26
1904–5	58,800.00	57,569.57	35,855.79	32,538.99	68,394.78	21,713.78
1903–4	47,751.80	44,601.53	29,979.72	16,975.00	46,954.72	14,621.81

A falling off in free business for the fiscal year 1905–6 is shown and it is thought that the shrinkage is due to the fact that messages on official business formerly transmitted free have been charged for, since October 1, at one-half of the commercial rate. The total receipts for the year on half-rate messages is $1,325.10.

The column "Defcit" shows the difference between expenditures and cash receipts. By adding the value of "Free business" to cash receipts, the apparent earnings would be as follows: 1903–4, $2,353.19; 1904–5, $10,825.21; 1905–6, $3,643.57.

During the fiscal year 1905–6, 105 kilometers of line were built at a cost, for labor, transportation, etc. of $3,176.60, and 400 new poles were paid for, costing $1,159.70, which amounts are included in the item of $59,634.50.

DIVISION OF ARCHIVES.

During the past year the employees in the division of archives have been busy classifying and indexing the various documents in the archive rooms.

We have issued certified copies of documents on which there have been placed internal-revenue stamps representing an income to the insular government of $142.14. We have also made blueprint plans and maps of the island, on which were placed internal-revenue stamps amounting to $67.06.

Respectfully submitted.

LAURENCE H. GRAHAME,
Commissioner of the Interior.

HON. BEEKMAN WINTHROP,
Governor of Porto Rico, San Juan, P. R.

Exhibit F.

REPORT OF THE COMMISSIONER OF EDUCATION.

Office of the Commissioner of Education,
Department of Education,
San Juan, Porto Rico, July 1, 1906.

Sir: I have the honor to submit herewith the report of the department of education for the year 1905–6.

Progress in educational matters has been uninterrupted since the establishment of civil government in Porto Rico in 1900. At first there was a rapid increase in the number of schools, and with it in the number of children enjoying an education. Later, with comparatively stationary appropriations, this rapid expansion has given place to a more quiet and unobtrusive development, marked by greater thoroughness in detail and greater intensity of effort. The changes involved in such a movement are individually apparently insignificant; collectively they may constitute almost a transformation of the system.

Only by a very elaborate description of the present system of schools and school administration, including comparisons with former conditions, could the whole import of these many and gradual changes be made manifest. Such a description would exceed the limits set for an annual report. But we may consider the events of the year not as isolated facts, but in their relation to the existing educational system, thus obtaining a better idea of their significance and at the same time a survey of the system as a whole. Instead of discussing matters touched upon in this report in the order of their relative importance, they will be given the place which belongs to them in the system of school administration and schools already established. An incidental notice of those features of the schools and their administration which do not call for special treatment this year will aid in forming a complete picture of our school system.

OFFICE ORGANIZATION.

The organization of the central office was modified on July 1, 1905, by changes introduced in the system of disbursements. By the creation of the office of disbursements in the treasury department and the appointment of the disbursing officer of Porto Rico the division of disbursements and accounts heretofore existing in the department of education was done away with. This division had made all disbursements for the department, had prepared all vouchers for payment, had kept all accounts of the department, and in addition had exercised supervision over the accounts of school boards. Disbursements proper passed into the hands of the treasury department, but the

remaining duties of the division remained with the department of education. They were merged with the division of property and supplies, which, beginning July 1, 1905, took the name of division of property and accounts.

There have been no other changes in the organization of the office, but there were important changes in the personnel. In February Mr. Leonard P. Ayers, at that time superintendent of the San Juan district, was appointed chief of the division of supervision and statistics vice L. R. Sawyer, resigned, and in May Mr. R. R. Lutz, then superintendent of the Ponce district, took charge of the division of records, vice Mr. A. F. Martinez, resigned. These promotions were richly deserved, and have, it is believed, strengthened the office force by bringing into it men of large experience in the field work of the department and intimately acquainted with the needs of the schools. In May also the chief of the division of school extension, Mr. A. M. Lyons, took a prolonged leave of absence, and his place has been temporarily filled by the appointment of Mr. L. D. Lindsley.

APPOINTMENTS, ETC.

Office of the assistant commissioner.—The assistant commissioner shares with the commissioner the general duties of directing the entire system of school administration. He assumes general charge of the office when the commissioner is traveling in the island on official duty or on leave of absence, and relieves the commissioner to a large extent of routine duties when the latter is occupied with his legislative duties as a member of the executive council. In addition to these general duties the assistant commissioner is especially charged with the appointment of American teachers and with supervision over scholarship pupils.

AMERICAN TEACHERS.

During the school year 1905–6 there were employed in the department of education 158 American teachers. Of this number 127 have served as teachers of English or grade teachers, 25 as teachers in high or industrial schools, and 6 as special teachers of drawing and music in the common schools.

Although many of these teachers have had to work under difficult conditions, their work has been uniformly satisfactory, and to their conscientious labors we owe much of the success of our schools as a whole. Since the beginning of the present system there has been a constant advance in the professional standard required of our American teachers, until at the present time we have a corps whose standing in every way is equal, if not superior, to that of any similar body of teachers in the United States.

The law provides that "teachers of English shall be graduates of a first-class high school, normal school, college, or university, or a teacher of extended experience holding a high-grade certificate from some State of the United States, or they shall pass an examination in the English language, including writing, spelling, reading, and grammar, arithmetic, geography, history of the United States, physiology, and methods of teaching." Of the 158 licenses granted to American teachers for the past year, 42 were based upon diplomas of graduation from American colleges or universities, 42 upon

diplomas from normal schools, 50 upon diplomas from high schools, 17 upon State certificates, and 7 upon examination. Besides the 84 teachers who were graduates of colleges or normal schools, no less than 35 others had either college or normal school training in addition to their other qualifications.

Our teachers come from all sections of the Union, as is indicated by the following tables showing the number of teachers from each of the States named:

New York	39	New Jersey	3
Massachusetts	29	Wisconsin	3
Pennsylvania	16	Connecticut	2
Ohio	11	Illinois	2
Indiana	8	Missouri	2
Maine	5	Tennessee	2
Michigan	4	West Virginia	2
Nebraska	4	Alabama	1
Vermont	4	Arizona	1
Delaware	3	Kentucky	1
District of Columbia	3	Oklahoma	1
Idaho	3	Rhode Island	1
Kansas	3	Virginia	1
New Hampshire	3		

The increasing prominence given to English in our public schools in the past few years has made the careful selection of American teachers more than ever an essential factor of success. The assistant commissioner has devoted a large share of his time to this work. All applications received are systematically investigated, and only a surprisingly small proportion of the applicants prove to be satisfactory. Our teachers must possess a good education, but this is the simplest requirement and the one most readily met. More than that, they must be physically and mentally strong and of unimpeachable moral character. They must be prepared to accommodate themselves to new and ofttimes most perplexing situations and to meet with tact and good judgment the difficulties which are certain to arise. They must rapidly acquire a knowledge of the Spanish language, not particularly for use in the schoolroom, but that they may make more or less intimate acquaintance with the people among whom they are to live. No qualification of a good teacher in any part of the world can be overlooked here. The fact that we look to our teaching force for recruits for our corps of superintendents and for other higher positions is an additional reason for demanding the highest qualifications.

So important is the problem of selection of American teachers considered that it was deemed advisable that the assistant commissioner should visit the United States during the spring months of the past year for the purpose of visiting colleges and normal schools and personally selecting new teachers for our work. This trip having been authorized by the governor of Porto Rico, the assistant commissioner visited thirty or more colleges and normal schools in New England and in the central States, delivering addresses to students and interviewing candidates for positions in Porto Rico. The result of this trip seems to have been entirely satisfactory, about 50 new teachers having been engaged for the coming year.

The regular work of the American teachers has been giving instruction in the English language to the pupils and teachers of the

graded schools. The method followed has been to assign to each group of graded schools a teacher of English as a special teacher to visit each of the various rooms for one period of each school day. During the past two years it has been found possible to give a large part of the instruction in the English language, and many of the Porto Rican teachers have qualified to teach in that language. This has rendered it possible to change somewhat the character of the work of the American teachers, and during the past year a large number of them have served as grade teachers, teaching the upper grades in English. At the present time practically all the higher grades, in at least the larger towns of the island, are receiving instruction entirely in English, the classes being taught either by American teachers or by specially qualified Porto Rican teachers working with the assistance of the American teachers of English. In the smaller towns it has not yet been possible to make this change, and there the work of the American teachers continues to be that of special teacher of English.

The American teachers employed in the high and industrial schools and as special teachers of music and drawing work in exactly the same way as do teachers holding similar positions in the United States. Practically every one of these teachers was originally appointed as a teacher of English, and before being promoted to the higher position has had a successful experience in lower grade work.

It is unfortunate that the department is unable to offer higher salaries to teachers who possess the qualifications which we require. In accordance with the law, the salary paid to teachers of English during their first year's service amounts to $540 for the school year. For the second year the salary may be increased to $630 for the school year, but no further increase is possible. Many of our best teachers remain no more than two years, since experienced teachers who are so well qualified for advanced work are usually able to obtain higher salaries in the States. The majority of those who remain with us longer than two years are influenced by some other consideration than the salary; many of them are held by the natural charm of the island and the opportunity to work in a place where results are so readily seen and appreciated; life in a tropical country appeals to many, and some, who have a special interest in the Spanish language, are willing to remain for the sake of perfecting their knowledge of that tongue.

GOVERNMENT BENEFICIARIES.

In accordance with two separate provisions of the school law the government of Porto Rico is maintaining in the United States 45 students, who are being educated in various schools and colleges. Under what is commonly known as "House bill 35," 25 young men are receiving professional education. The first of these pupils were sent five years ago and provision was made for five years' study. With very few exceptions these young men were not prepared to begin secondary study, and few of them were able to complete their preparatory work and a professional course within the period of five years. The legislature, recognizing the necessity of allowing these students sufficient time to complete their courses, at its last session passed an act authorizing an extension of the time of those students whose work had been satisfactory, but who would be unable to finish within the prescribed period. In accordance with this act, the

scholarship of 9 young men were extended for one year. Three young men, Alejandro Ruiz Soler, of Quebradillas; Leopoldo Mercader, of Aguadilla, and Herminio Irrizarry, of San German, finished their courses this year, graduating from the University of Maryland, Lehigh University, and the Massachusetts Institute of Technology, respectively. One student who failed to graduate was not granted an extension of time. One other student resigned his scholarship at the close of the school year. The commission charged with the execution of this section of the law decided to grant scholarships in the future only to applicants who might be already sufficiently well prepared to enable them to complete a professional course within the allotted five years. To fill the vacancies for the coming year the commision has appointed Carlos Kehrhahn, graduate of the Central High School of Porto Rico, San Juan, Antonio Mayoral, jr., Antonio S. Otero, Juan Díaz, and Gil Velazquez, graduates of the Ponce High School.

Under what is known as "Council bill 12" 10 young men and 10 young women are being given an education in industrial arts and trades. The time allowed these students is four years, and of those originally appointed nearly all finished their course one year ago. The following named 7 young men and 10 young women were appointed under this law and are now studying in Tuskegee Normal and Industrial Institute, Alabama: Isidro Alonso Colón, Guayama; Salvador Barea, San German; Pedro Concepción, Fajardo; Tomás Montes Rivera, Arecibo; Eduardo Rodríguez Dávila, Yabucoa; Andrés Tirado, Coamo; Onofre Torres, Aibonito; Victoria Altiery, Mayaguez; Juana Colón Colis, Naguabo; Micaela Ellis, Ciales; Ignacia Esturio Sánchez, San Juan; Petra Guzmán, Yauco; Monserrate Mercado, Ponce; Asunción Rivera, Juana Díaz; Rafaela Rosa Piñero, Caguas; Agripina Vergas, Bayamón; Ana Velardo, Aguadilla.

In the legislative session of 1903 an act was passed providing for 28 scholarships in the insular normal school at Río Piedras, to be granted upon examination to 4 candidates in each of the 7 electoral districts of the island. During the first year, because of the lack of suitable candidates, only 25 scholarships were granted, the total number of 28 not being filled until the following year. The law providing for these scholarships was amended by the legislative assembly of 1906. Scholarships are granted for two years only, at the end of which time students may receive the elementary certificate of the normal school, but the commissioner of education is authorized to select 10 students who have satisfactorily completed two years' work and to extend their scholarships until they have completed the four years' course.

Of the students originally granted scholarships one only, María M. Castro, of Mayaguez, has completed the four years' course, graduating in June, 1906. Twenty-three have received the elementary certificate granted at the completion of the two years' course. At the present time six have been in attendance at the normal school three years and have been reappointed for another year; one student has attended two years and has been appointed for two years more; 13 students have finished the first year's work and are about to enter upon their second year, while 8 students have been newly appointed for a two year's course.

LICENSES, ALLOTMENTS, ETC.

Office of secretary, chief of division of records.—The secretary's office is charged with the issue of teachers' licenses and certificates, the appointment of members of school boards when vacancies occur, the allotment of schools to the various municipalities, and the approval of appointments proposed by the local school boards. This office handles all mail received and is custodian of the correspondence files of the department.

LICENSES.

Licenses are issued originally upon the results of examinations held by the department or upon presentation of diplomas. Graduates of the normal school of Porto Rico, both in the elementary course of two years and the full course of four years, are entitled, when they have the age required by law, to receive licenses as graded teachers. If too young to be granted this grade they receive rural licenses. There is no provision permiting the issue of a teacher's license without examination to the graduate of the high schools of Porto Rico. In case of Porto Rican graduates of normal schools in the United States, the department has authority to issue a rural but not a graded license. One year's experience in the schools of Porto Rico is required before a graded license can be issued. This should be corrected by legislation, placing graduates of accredited normal schools in the United States upon the same basis as those of the normal school of Porto Rico.

A large number of licenses are issued annually as renewals of older licenses. District superintendents report annually upon the work of the teachers and make recommendation as to renewal and the term thereof. If the recommendation is against the issue of a renewal, the case is carefully examined in the light of the past record of the teacher before a decision is reached by the department. The number of adverse reports diminishes from year to year.

Superintendents also recommend the term of years for which licenses should be extended. It is to be regretted that there should be so much diversity in these recommendations. While the idea of having licenses valid for a term of years seems a suitable one, and one adapted to stimulate teachers to their best efforts, it is very dubious whether its actual results are beneficial. In the first place, it is subject to the objection already noted, that different superintendents judge the work with different degrees of rigor, and the duration of the license appears to be less the result of excellence in school work than of leniency in the judgment of the superintendent. Again, while the desire for a long-term license may often stimulate to effort, its possession may have the opposite result. Teachers who do their work faithfully and well are surer of their position, with one year licenses than those with longer licenses and a disposition to shirk. It would generally lighten the work of the department and work no injury whatever to the teachers if licenses were to be renewed for one year only.

SCHOOL BOARDS.

The local school boards are elected every two years. The position is one of honor and carries no salary. Those elected to the position oftentimes fail to qualify by taking the necessary oath of office, or, if

they do so, frequently resign after a comparatively short period of service. When such vacancies occur, or when they are created by the removal of the members of the school boards, the law requires that their successors be appointed by the commissioner of education, care being taken that the persons appointed shall be members of the same political party as those whom they replace. The work of filling these vacancies is considerable, though the result is, in a great many cases, to secure school boards better disposed to work in harmony with the department.

ALLOTMENTS.

It is made the duty of the commissioner of education by law to fix the number of schools to be opened in each school district. Greater attention has been given to the allotment for the coming school year than ever before.

The allotment of schools can not be made in accordance with any one guiding principle. Unquestionably, the most logical basis upon which to determine the number of schools for the different localities would be the population of the several districts. This must always be one of the principal considerations, but it can not be the exclusive one, as the cost of supporting the schools falls in part upon the local authorities. There are towns in the island which are very populous, but which, at the same time, are very poor and wholly unable to support the schools to which their population would seem to entitle them. On the other hand, there are communities relatively sparse in population, but rich in resources, and amply able to build and provide for a larger number of schools than their population would warrant in comparison with the whole number of schools to be allotted. The allotment of schools in the aggregate must be inferior to the educational needs of the island, so long as the available appropriations are not greatly increased. The amount of the appropriation determines, approximately, the aggregate number of teachers who can be employed. It then becomes the question to distribute them equitably among the different localities. Up to the present time the department has had little information, except of the most general kind, as to the resources of the different localities and has been unable to distribute the schools with any reference to the ability of the towns to support them. With the system of school-board accounting now in vogue, it has been possible to make a more careful study of this aspect of the question of school allotment. The number of schools allotted to each district is a pretty fair test of the expenditures which will be locally necessary. Each teacher receives from the school board a certain sum annually in lieu of house rent, and there must needs be as many schoolrooms generally rented for the purpose as there are teachers. These two elements, which rise and fall with the number of teachers assigned, constitute the great bulk of the local expenditures for schools. An effort has been made in the present year to keep the expenditures for these two objects in a normal and natural relation to the school-board income by carefully fixing the number of teachers to be assigned. The necessity for this measure arose in determining the assignment of teachers to the school boards in the disannexed municipalities which came into existence on July 1, 1906, and also in the districts from which these new municipalities were subtracted. Several of the new towns now on an independent basis

have received a less number of schools than was granted to them when they were annexed to other municipalities. Applying the principle above set forth generally to the towns in the island, it was found necessary to reduce the allotment in some of the older towns not affected by the creation of new municipalities. The measure has seemed harsh and has given rise to no inconsiderable protest. Its purpose has, however, been in all cases very clearly explained, and it is believed that good results will follow the new distribution. The department has proceeded in this matter on the principle that effective school work could not be done where the schools were inadequately equipped and where the local school boards were deeply involved in debt with school teachers and householders clamoring for the money due them. A healthy condition of the local finances is an indispensable requisite to good work in the schools. In making the allotment for the coming year the number of schools in the island, as a whole, has been somewhat increased, though in particular districts there may have been a diminution.

As before indicated, the necessity for such action lies in the charges imposed by law upon the local school boards, especially in the matter of paying house rent to teachers. The minimum house rent is $3 a month for rural teachers and $10 a month for graded teachers. If the smaller interior towns are to have graded teachers, from a certain point of view house rent is too high and should be reduced. Under present conditions there are more graded teachers than places for them, and there should be no difficulty in securing, even in the less desirable localities, graded teachers who would accept from the boards a house rent inferior to $10. If the house rent of teachers be considered not as an addition to the teacher's salary, but, as it really pretends to be, a compensation in lieu of house rent, it may safely be inferred that in many of the smaller towns of the island the sum of $10 is considerably in excess of what need be paid as rent for house, and this reduction could be defended on this ground.

SUPERINTENDENCE.

Division of supervision and statistics.—The chief of the division of supervision and statistics, who is also designated as the general superintendent, has general charge of the field force of the office. He receives from superintendents the records of their work in the inspection of schools and all statistical forms relating to the school work.

SUPERVISION.

Radical changes have been effected in the work of this division, which have resulted in a more adequate supervision, improved statistics, and a better relation between the two. The first step was the establishment of a weekly report on enrollment and attendance from every school in the island. After the schools were well under way, so that all initial difficulties might be deemed to have been overcome, a statistical summary giving average enrollment and attendance for the week ending November 10, 1905, was prepared. This comparative statement by municipalities was sent to the superintendents for their information. At the same time a careful study was made in the department, and a list was prepared of all the schools deficient

in enrollment or deficient in attendance The attention of superintendents was called to these cases, and they were requested to report upon the cause of such deficiency in each case.

Later in the year a comparison was made between the attendance reported by teachers in their weekly reports and that found by superintendents on their visits to the school. Substantial agreement was found, but our attention was called to the fact that visiting by the superintendents was not in all cases systematic and that the office records were not compiled in such a way as to bring out the facts. This led to an overhauling of our records and the establishment of a system which permits the office to know at a glance how many times a given school has been visited and when. The study of these records has enabled us to correct defects in the field work, and has placed us in much better relations with our field force. Apparent anomalies disappear upon close investigation or a knowledge of local conditions, which are revealed by correspondence with our officials in the field.

In such ways as have been indicated the reforms in our statistical service, instituted primarily for a more accurate record of our school conditions, have been instrumental in improving our supervision and more intimately connecting the two branches of service.

In view of the changes in the procedure of the office and the engrossing duties of putting the new system into operation, there has been somewhat less formal visiting of school districts by the general superintendent than in the past year. Despite this fact the relations of the central office with the field superintendents are more intimate, and the superintendent is much less isolated than before. Visits of superintendents to the San Juan office have possibly been more frequent, and such visits are very fruitful in suggestion.

STATISTICS.

The reorganization of the statistical work of the office contemplated (*a*) fuller information as to the schools and (*b*) a better distribution of the work throughout the year. The particular problems involved in the work will be discussed in connection with the results. We are concerned here with its administrative features. The innovations were the weekly report of enrollment and attendance and the census of March 2, 1906. The purpose of the former was to give a record by weeks which would show the rise and fall of interest in the schools. The object of the second was to give a more complete record of sex, age, grades, and years of school attendance than could be demanded at the end of the year.

A better distribution of work followed from the fact that the record of enrollment and attendance being continuous the compilation of annual averages could proceed throughout the year. The very minute analysis of the census results could not have been made in the interval which elapsed between the close of school and the preparation of this report.

By reason of these changes the term and annual reports were greatly simplified and the burden of statistical work much more evenly distributed for all concerned—teachers, superintendents, and office force.

The careful attention given to these statistical features revealed considerable gaps in our exact records of school conditions and prompted several important minor inquiries.

THE FIELD FORCE.

The year has been marked by a number of changes in the field force. In October a vacancy occurred in the Carolina district by the death of Mr. E. L. Hill. He had been superintendent since 1899 and had rendered loyal and faithful service. Mr. Spaulding was transferred from Aibonito to Carolina, and Mr. John F. Packard, a graduate of Boston University, who had been in the previous year assistant superintendent in Ponce, succeeded Mr. Spaulding at Aibonito. Mr. J. W. Smith, of Utuado, was obliged to resign on account of ill health, and Mr. Glen Edwards, a graduate of Marietta College, who had occupied a place as English teacher in Naguabo and assistant superintendent in San Juan, was appointed in his place. In the middle of the year Mr. Ayres was appointed general superintendent, and the vacancy in San Juan was filled by the transfer of Mr. Edwards, and the resulting vacancy in Utuado was filled by the appointment of Mr. Manuel G. Nin, principal of schools in Yauco. Since the school year closed, Mr. Charles H. Terry, a graduate of Wesleyan University, formerly principal of the Ponce high school, has been appointed superintendent in Fajardo. There have been no other appointments as yet, but a number of transfers have been made. Before the year opened Mr. Mellowes went to Humacao and Mr. Warshaw was appointed to that post. Since the school year closed, vacancies arose in Arecibo and Toa Alta by the resignations of Messrs. Landrón and Rodriguez, respectively. Transfers have been made as follows: Mr. Ducout to Vega Baja, formerly of Toa Alta; Mr. Zimmerman to Arecibo, Mr. Fourcaut to Aguadilla, Mr. Packard to Guayama, and Mr. Kelley to Ponce. There are vacancies at present in Aibonito and San German, which will be filled before the school year opens September 24.

The relations of the field force of superintendents with the office have been, as already noted, very intimate. A high level of efficiency has been maintained in most of the school districts, and the efforts of the department have been warmly seconded by the district chiefs.

The annual conference of superintendents was held in January in Arecibo. By a careful preparation of the programme excellent results were obtained and fruitful discussions ensued. Four topics only were discussed. To four of the superintendents, carefully selected for their fitness to deal with them, was intrusted the preparation of a paper. Copies of the paper were sent to the office a month before the meeting and distributed to the persons especially selected to discuss the papers. Public sessions were also held, which gave qualifying evidence of interest in educational matters.

The service of superintendents as institute directors in other districts and as members of examining boards has given them opportunity for observing school work and exchanging views which can not fail to produce valuable results.

The record of work done in the various school districts, as shown in the annual reports of the superintendents, shows generally marked progress.

EXAMINATIONS.

Office of superintendent of examinations.—The department conducts annually a variety of examinations for pupils of the schools of the island aspiring to the eighth grade diploma, for licenses to teach

in the schools of Porto Rico, and for the teachers themselves examinations in English for Porto Rican teachers and in Spanish for American teachers. The superintendent is aided by an examining board, which assists in the preparation of questions.

It is gratifying to note a general improvement in the results. This has been obtained by better preparation and by insistence upon greater care in recommending candidates for examination. Happily this greater rigor has not been accompanied by any substantial falling off in the number of candidates.

EIGHTH GRADE DIPLOMAS.

Examinations for the eighth grade diploma were held very generally throughout the island. This is in itself noteworthy, as in former years a number of districts were without candidates. While the measure of success was far from uniform in the various districts, the general results were encouraging in comparison with earlier years. This is due doubtless to the fact that the applicants had obtained a larger part of their preparation in the schools established since the American occupation of the island. As time progresses we shall have a better test of the efficiency of our work, when the applicants will have obtained all their preparation in our schools.

A careful study was made of the results of this examination with a view to exhibiting to superintendents the value of proper preparation. Candidates were divided into classes according to whether they had a full years' training in eighth grade or only a part of the year, or whether they had ever been formally rated as eighth-grade pupils, distinction being made also of those who were prepared in eighth grades taught separately and those who were taught in the eighth grade in the same room with pupils of lower grades. As was to be expected the best prepared groups showed the largest percentage of success.

TEACHERS' LICENSES.

Examinations for licenses as rural teachers have been eminently satisfactory. It is true that the Manual of Examinations established fixed standards for the admission of candidates, requiring as a rule the eighth-grade diploma, which were much more rigorous than those of former years. As a result the number of applicants dwindled very considerably. Yet the number who passed in the fiscal year 1906 is only slightly less than in the previous year.

Examinations for graded and principal licenses gave little result. Papers were perhaps marked more severely than in the past, but it is probable also that the proportion of well-qualified applicants was in reality smaller. Access to the higher grades in the teaching profession is more largely sought through the normal school than in former years by the younger teachers and it is probable that those of the older teachers who are qualified for the higher ranks have already taken and passed the examination.

ENGLISH EXAMINATIONS.

The law prescribes a graded course of study in English for the Porto Rican teachers. In the past year more attention was given to this work than ever before. Teachers were classified according to

their knowledge of English in advanced, intermediate, and elementary classes. For the latter, the assistant commissioner prepared a special text-book, "Lessons in English," which was used with marked success. The results of the year's work have been quite satisfactory. An examination of the results showed, however, that the matter of classification had been very unevenly handled. In some places it worked to the disadvantage of the teacher, placing him in a class higher than that in which he actually belonged, in others it worked to his apparent advantage by the contrary classification. These facts were set forth in a circular addressed to the superintendents, and attention was called to the need of very careful classification if the best results were to be obtained.

BUSINESS RELATIONS.

Division of property and accounts.—The business relations of the department are now concentrated in the division of property and accounts. All expenditures of the department are made through this division, and all expenditures for educational purposes by local boards pass under its supervision. Accounts are kept here also of the text-books and other property belonging to the department.

EXPENDITURES.

Since the establishment of the disbursing office of Porto Rico, actual disbursements are not made in the several departments, but the work of preparing vouchers and verifying same is still under their charge. In the department of education, with its pay roll of nearly 1,500 persons, and with its considerable miscellaneous expenditure, this work is not only heavy but responsible. As it is necessary at any given time to know the exact state of the appropriations, books must be kept of all expenditures in order that the information needed in the daily administration of the schools can be readily supplied. Some difficulty necessarily arose at the outset in defining relations between the newly created bureau of disbursements and this division. These difficulties are now in the way of solution.

SCHOOL PROPERTY.

The property in use in the schools is divided into two classes, expendable and nonexpendable material. The former includes supplies of all kinds and the latter chiefly text-books. With respect to expendable material, a careful system of distribution of supplies is in existence, which insures as nearly as practicable an equitable distribution of material. Superintendents are looked to for a discreet use of the material supplied to them.

In the matter of text-books, allotment of new material is made upon requisition of the superintendents. The examination of these requisitions involves a consideration of the number of books on hand in a given district and the number of schools in which they are to be used. Exact formulas for the distribution of text-books can hardly be established, and it is believed that any hard and fast rule would work hardship. So far as possible, the needs of each district are taken into consideration in connection with the resources at the disposal of the department for the purchase of books. After the

distribution of books, superintendents are held financially responsible for the material intrusted to their care, and this responsibility is in turn shared by the principals, graded teachers, and rural teachers to whom books are intrusted for use. From time to time accounts are adjusted and settlement made between superintendents and the department. Comparative uniformity in text-books in the several districts reduces the number of articles for which the superintendent is responsible, and such simplification facilitates the working of accounts.

TEXT-BOOKS.

Allusion has been made in former reports to the difficulty of securing proper text-books for the use of our schools. This difficulty is disappearing with the increased use of the English language in the schools, especially in the upper grades, which gives us a much greater liberty of choice, and also with the translation of standard works adapted for the lower grades into the Spanish language. The introduction of copy books having a portion of the words and sentences to be written in Spanish has had very excellent results. The next year will witness the introduction for use in lower grades and rural schools of an arithmetic in the Spanish language, the translation of which has been supervised by the department. Text-book reform is always very gradual. No school administration would think of distroying or discarding books which are fit to use. Where a text-book is once established, it can only be supplanted as the books in use wear out and become unfit for use.

LOCAL ADMINISTRATION OF SCHOOLS.

Assistant chief of division of property and accounts.—Relations exist between the department of education and the local school board through the audit of the accounts of the latter bodies. They are responsible for the local administration of schools, expenditures for rent and care of school buildings and other allied objects being intrusted to them. They pay to teachers a monthly allowance in lieu of house rent. Allusions were made in my last report to the beneficial results of the system of auditing the accounts established for such boards. In former days the great majority of the boards closed up their yearly accounts considerably in debt. At the present time this has largely disappeared. The school boards are out of debt and, as a rule, are paying their obligations promptly. They have in the main cooperated with the department for the purpose of securing economy in administration.

During the year new boards have been created in a number of municipalities recently disannexed from others. The creation of these new boards by law has considerably increased the labors of the department and has introduced an element of considerable difficulty in estimating the propriety of proposed expenditures for 1906–7.

With two years' experience to guide us the time seemed ripe for codification and revision of the rules and regulations governing the accounting of school boards. As it was especially necessary to bring these rules and regulations to the attention of the new boards, it was deemed wise to issue the new regulations in parts. Two of them, referring to the budgets and accounts, have already been issued. A third section of general instructions is in preparation.

The section in relation to school budgets describes very fully the purposes for which expenditures should be made, and for the better carrying out of instructions; printed blanks for the preparation of budgets have been sent to the several boards. In these regulations especial attention was given to the matter of receipts. One of the difficulties of school administration heretofore has been the exaggerated estimates of probable receipts, resulting in an uneconomic administration and frequently involving the boards in debt, since expenditures were generally authorized in excess of probable income. An analysis of the tax returns upon which the school-board income is based has enabled us to adopt a simple rule, the effect of which will be to gauge much more closely than has ever been done before the probable income of the school board.

In the matter of the accounting of school boards the department had heretofore prescribed certain forms to be used as vouchers and certain forms to be used in reporting accounts to the department for examination. It had, however, done nothing to facilitate the preparation of such accounts. On July 1, 1906, however, a change was introduced. Every school board in the island was furnished with a set of books, especially prepared for a simple system of bookkeeping, which would aid in the preparation of reports required by the department, and at the same time answer all the purposes which the board might desire.

The present form of school-board accounts enables us to make comparisons between the different boards. These comparisons in many cases afford useful indications of the efficiency of school administration in the different sections. The department has from time to time issued circular letters to the school boards furnishing comparative statistics, which have been helpful in school administration as well as in the administration of the office, since it has enabled us to answer many points of correspondence by a reference to the statistical data in the hands of the several boards.

SCHOOL BUILDINGS.

The division of school extension was created some years ago for the purpose of administering such portions of the trust fund as was allotted to the construction of school buildings. Plans and specifications for buildings are prepared by the division, contracts let, and the actual work of construction supervised by its field inspectors. With the gradual exhaustion of the trust fund and the increase of school construction by the local boards, the preparation of plans and specifications and contracts occupies a relatively larger share of time than before.

The building of schoolhouses by the department dates from 1901, when the first money was allotted to it from the trust fund for school buildings. From that time to June 30, 1906, the aggregate sum available for school construction was $535,028.46, of which $487,276.50 consisted of direct grants from the trust fund, and $47,751.96 has been paid by municipalities and school boards. Expenditures have been $484,072.32, leaving available for expenditure June 30, 1906, the sum of $50,956.14. This will be somewhat increased during the year by the repayments still to be made by municipalities and school boards.

Allotments were made in the first instance in the year 1901–2 from the trust fund, in the amount of $220,000, to a general fund for school extension in Porto Rico. From this general fund the earlier graded school buildings and all rural school buildings have been erected. No further direct allotment to this fund has been made, but it has been increased by the repayments of municipalities and school boards and by transfers.

Beginning 1902–3 allotments were made to the department for the construction of specific schoolhouses. Generally a contract was entered into with a municipality or a school board by which the latter was ultimately to pay half or more of the cost of constructing the buildings, by annual repayments to the treasury of Porto Rico. Allotments were made in the aggregate of $267,276.50, though this sum has been reduced by a reallotment of one sum of money which included the transfer of $3,200 to the general account. All of the buildings contracted for have not yet been completed, and there is a balance of $13,409.23 to the credit of these allotments. Upon the finished buildings there is an enexpended balance of $11,588.44, which represents an actual saving, which will be transferred to the general account as available for other buildings.

Specific allotments have altogether ceased, and the only sums available for future construction are the savings already made on completed buildings, possible savings on the unfinished buildings, the further payments to be made by municipalities and school boards and the balance on the general account.

As all of this balance except what is needed for current general expenses has already been pledged, the building activity of the department after the close of the present year will almost cease with the fulfillment of outstanding pledges. For a very few years more it will receive a small income from the belated payments of municipalities and school boards, which may enable it to maintain an advisory staff, but will not permit any construction except perhaps an occasional rural school.

The general fund has been drawn upon of late to construct or aid in the construction of graded school buildings. While it has been the policy of the present administration to favor the construction of rural buillings, it was found that there were a number of quasi agreements with various municipalities which could not be ignored. Moreover, the extreme uncertainty of titles to land in rural districts and the consideration that as much time and trouble is required to obtain the land for the erection of an inexpensive building in the country as for a more pretentious town building has favored the construction of graded schools.

The larger buildings at Ponce, Isabela, and Patillas, mentioned in my last report, have been completed. The former is a handsome masonry structure for the use of the high and grammar schools of Ponce. The buildings at Isabela and Patillas are of frame construction, simple in style but admirably adapted to their purpose. During the year, buildings similar in type but differing in details have been erected by the department at Maricao and Las Marias.

The department has nearly completed a 6-room masonry building at Cataño. It has awarded contracts for a frame building at Toa Baja, the greater part of the cost of which will be borne by the school board, which has obtained an insular loan for the purpose. Plans

are nearly ready to be advertised for a masonry building at Vieques, and frame buildings at Aguas Buenas and Quebradillas, when sites for the same shall have been secured or other formalities completed.

Plans for simple but adequate rural schools have been provided, but none have as yet been constructed. Great difficulties have been encountered in securing sites with a perfect legal title. After much effort such sites have been secured at a number of points, and building should soon begin.

Mention was made in my last report of the growing interest in school construction among the local school boards. To stimulate construction of rural schools the department offered, at the outset, to duplicate the work of the school boards, but its available funds no longer permit it to do so. The school board of Yauco has built from its current funds two buildings, upon plans prepared by Mr. Manuel V. Domenech, at a comparatively small cost. Aguada has built upon the same plans, while Manati prepared its own plans for a very satisfactory small building built from proceeds of an insular loan. These buildings were constructed of wood at prices not exceeding $600. The school board of Juana Diaz preferred masonry constructions, and was fortunate in securing two very excellent buildings at a cost of about $1,500 each. Much of the credit is due to the clerk of the board, Mr. Juan Bautista Romeu, who prepared the plans and supervised the entire work.

Current funds of the school boards are not adequate for large enterprises, but the very favorable terms upon which they can obtain loans from the insular treasury—3 per cent interest and repayment in equal annual quantities in a term of years not exceeding fifteen—places them in a position to undertake the erection of larger edifices. In so doing the annual charge against the boards is often not much larger than the annual cost of the buildings previously rented for school purposes. The first board to avail itself of this method of school construction was that of Camuy, which, with the proceeds of an insular loan supplemented by the treasury of the board, has constructed two excellent 4-room buildings of the Isabela type at Camuy and Hatillo. The school board of Coamo has nearly completed a six-room masonry building on the Juana Diaz type. The department is desirous of aiding these efforts of the school boards to the utmost possible extent. The plans, specifications, and contracts were prepared by the department in both cases, and at the request of the school board of Coamo an inspector was detailed to supervise construction. Loans have been granted by the insular government to Lares, Rio Piedras, Bayamon, Salinas, and Patillas for school construction, and applications are pending from Juana Diaz, Manati, Guayama, Arecibo, and San Juan.

In the construction of graded school buildings school extension has had the following development:

First. Construction by department free of cost to local authorities.

Second. Joint construction, the department advancing the entire cost and the local authorities agreeing to repay a share of the cost in a stated number of years.

Third. Joint construction, the department paying a part of the cost, and the local authorities paying the remainder, either from current funds or loans from the insular treasury.

Fourth. Construction from the funds of local boards obtained either from current funds or insular loans, the department furnishing plans and supervision when so requested.

In the construction of rural schoolhouses there has been no joint action, either the department or the school boards having borne the entire cost.

GENERAL CONSIDERATIONS.

THE TEACHING FORCE.

There appears to be a shortage of teachers, which is seriously interfering with the progress of school work in Porto Rico. Although the number of teachers allotted to the various districts in August, 1905, was 1,139, the number of positions actually filled during the year was only 1,067. On the other hand there appear upon the books of the Department 1,326 persons holding licenses of all grades. The fact that teaching positions are not filled may be due to a surplus in some ranks and a deficiency in others, even though in the aggregate there may appear to be an excess of teachers over positions. The following figures for the principal categories of teachers are suggestive:

	Allotted.	Employed.	Certificates in force.
Principals	32	32	106
Graded teachers	411	407	488
Rural teachers	570	510	560

It appears that with considerable excess in the aggregate there is a relatively large excess of licenses in force for principal and graded teachers compared with the number of positions allotted and filled, and a deficiency in the number of rural teachers compared with the positions allotted. Teachers of the higher rank, for whom no positions in these ranks are open, must either take a school of lower rank or remain without positions in the schools.. An inquiry undertaken in February, 1906, as to the persons then holding licenses showed the following results:

Grade.	Licenses in force.	Employed in same rank as license.	Employed in a lower rank.	Not employed.	Per cent not employed
Principals	106	33	59	14	13.2
Graded teachers	488	385	53	50	10.2
Rural teachers	560	481	.....	79	14.1
Total	1,154	899	112	143	12.4

The percentage of unemployed is comparatively small, and an examination of the list of persons not occupied as teachers shows further that the number of persons who would have been available for appointment is much less. Of the unoccupied principals, 3 are engaged in school work not under the department, 3 were following other pursuits, leaving 8 who might possibly be deemed available for appointment. Of the graded teachers, 7 were pursuing further studies in the normal school, 4 were teaching in other schools, and 5

were in the United States, leaving 34 available for appointment. Of the rural teachers, 24 were still in the normal school, 2 were teaching in other schools, and 16 were new teachers who had received their certificates less than a month before, leaving 37 who had been available for appointment when the teachers were selected. The total number of teachers unemployed and available was therefore 79, while the difference between the number of teachers which it was proposed to employ and the number actually employed was 64. These figures are not introduced for a further discussion of why these 79 teachers did not fill the vacancies. Some are well advanced in years and retain licenses as a matter of pride. Others were unwilling to accept schools of lower rank than their licenses. Others, no doubt, were unwilling to change their residences. It is enough to have demonstrated how much the development of school work is hampered by the lack of teaching material.

It is perfectly clear that the pressing problem of the teaching force is to secure an adequate supply of rural teachers. The number of rural schools actually opened has considerably diminished in the past few years. This diminution has been due to the fact that teachers holding such licenses have passed examinations qualifying them as graded teachers and that there has not been an adequate influx of other persons to take their places. The normal school is not furnishing us with rural teachers in any considerable quantity. While a considerable number of rural licenses is annually granted to those graduates of both the elementary and of the full course at the normal school who are too young to receive graded licenses, they are in the course of one or two years at the most changed into graded licenses. Nor has the accession through examinations been considerable. In earlier days access to these ranks by examination was numerous because there was a prospect of passing the graded examinations after a brief experience and securing graded positions. As this inducement diminishes and as positions in the graded ranks are filled either by those now in possession or by recruits from the normal school, who are much sought after, the prospect of advancement becomes very slight for the rural teacher. Those now in the ranks become discouraged and seek other occupations and the influx diminishes in volume. Yet the future development of the educational work in the island is distinctly in the rural schools and some means must be found to overcome this natural tendency. The last session of the legislature enacted a law for the increase of salaries of rural teachers and it is to be hoped that this will have some effect in an increased number of such teachers. The fact, however, still remains that while the economic position of the graded teacher is distinctly favorable, being considerably better than that attainable by persons of equal education in mercantile pursuits in a great number of the towns of the island, there is not such a disparity between the economic position of the rural teacher and that which persons of similar education can obtain in other walks of life.

The last session of the legislature enacted a law for the appointment of preparatory teachers which is designed to remedy this difficulty. The law provides that under certain conditions persons who have passed an examination approximately equivalent to the first six grades of the common-school work may be appointed as preparatory teachers. While engaged in the work of instruction they

are at the same time afforded an opportunity to continue their studies with a view of fitting them for the position of rural teachers. This measure was enacted with a view to raising up a class of teachers, especially in the smaller communities. In many of these communities there is no formal instruction in the seventh and eighth grades, and as no person can take a rural teachers' examination who has not previously obtained the eighth-grade diploma, there is in all such communities a dearth of rural teachers. Should this measure prove successful it should, in the course of a few years, give to such smaller communities a number of well-qualified rural teachers resident in such communities and whose natural inclination would be to serve in the schools of those communities rather than to move to other parts of the island.

Even with the accession of these preparatory teachers it does not seem probable that the department will be successful in materially increasing the number of rural schools for the present. In the allotments made for the coming school year permission has been given to employ nearly a hundred more rural teachers than were actually engaged in school work last year, besides 67 preparatory teachers. Such permission might seem without purpose, since it is so well known that there is an inadequate supply of teachers; but it is hoped to stimulate applications for examinations, and at the same time to utilize to the fullest extent the existing material. A general increase of the allotment of schools in each locality would at least help to secure employment for those who have heretofore been unwilling to change their residences. By these means the department hopes to increase the number of rural schools, but not to the full extent of the increased allotment.

TEACHERS' INSTITUTES.

The annual teachers' institutes conducted by the department were held in the spring of the year. They form an element in school work capable of doing a great deal of good, but at the same time a feature which without skillful management may degenerate into an inane waste of time. They are, wherever held, designed to offer to the teachers opportunity for instruction, discussion, and, perhaps, entertainment. I am gratified to say that in Porto Rico the entertainment feature, either in its undiluted form of recitation and music or thinly veiled in illustrated lectures or orations on "Heroism" and kindred soul-stirring topics, has never had a prominent place in our institutes. Whatever our faults we have tried to be serious, and whatever our mistakes our intention has been to help our teachers.

In the early days of the department considerable sums of money were available for these meetings. Distinguished educators from the States, and perhaps some who were heralded as such, though all unconscious of the soft impeachment, were invited to address the teachers. The remarks in English were filtered to the teachers through the medium of translators, but the result of filtration was oftentimes not the purification of either thought or language. It was perhaps an advantage that appropriations were later cut down and the teachers and superintendents forced to rely more upon their

own efforts, the participation of the department consisting in securing the services of Porto Rican educators who spoke to the people in a language which they understood.

This year the appropriation was omitted altogether by a legislature bent upon economy, and the institutes had to be abandoned or organized upon a new plan. In former years there had been a corps of institute directors who consulted together and laid out the programme in general terms. This programme was sometimes quite elaborate, giving heads and subheads of discussion. Teachers were then called upon, either by previous notice or when the gathering occurred, to discuss phases of the question in the light of the suggestions made in the programme, the director, in the meanwhile, keeping the discussion well in hand.

This year our means did not permit this organization. Superintendents of adjacent districts were chosen as institute leaders. The department placed the organization wholly in the hands of the local superintendents. Four topics, being all of them of practical interest in our school work, such as the duty of teacher regarding enrollment and attendance, were suggested but not prescribed. Outlines of discussion were furnished with each of the subjects. In addition, arrangements were made with the Medical Association of Porto Rico to have at each one of the institutes a popular presentation of the subject of "Uncinariasis." There was to be the usual evening session, with speeches by the officials of the department. No money being available for other speakers, we appealed to public spirit and were fortunate in securing the services of Dr. José C. Barbosa, Dr. Rafael del Valle, Mr. José Gordils, and Prof. Francisco Zuazaga, of the Insular Normal School, whose helpful assistance is acknowledged with profound gratitude.

In the daily sessions the programme outlined by the department was generally followed, perhaps too generally. Some superintendents varied it by substituting topics of more immediate local interest, and some by practice classes. The work of these sessions was, in general, effective, though it did not in every case give rise to the desired discussion. It lacked something of the harmony of the work of former years. Some of the papers presented were excellent, too excellent sometimes, as they were so exhaustive as to choke off discussion.

In other cases discussion was desultory and ineffective. Yet there is little doubt that the balance of the good over poor features was considerable. It may be that impressions gained at such institutes are not permanent. How could this be expected? Yet the stimulus is not wholly lost. Opinions differ, and probably always will differ, on the question how far the director should instruct the teachers directly, and how far they should instruct each other by the recital of the facts of their daily experience and a statement of their efforts to overcome the problems which beset them. Their views may be immature, their vision limited, but when they are truly expressed and honestly discussed they make more impression upon their fellow-teachers than would pearls of wisdom falling from the lips of riper experience.

The public meetings held were remarkably successful. In nearly all the towns large audiences gathered to hear the addresses, and a warm welcome was given the visiting speakers.

THE ENGLISH LANGUAGE.

A perusal of the superintendents' reports reveals a widespread interest in the English language and a desire in most parts of the island to have the schools conducted in English wherever possible.

In accordance with this desire, the allotment of schools for the coming year includes 113 schools to be taught in the English language by Porto Rican teachers, as compared with 44 schools in the preceding year. Examinations to test the ability of the Porto Rican teachers to give instruction in the English language were held throughout the island by a special board of examiners and the number of persons who qualified in such examinations was 93, making with the 55 teachers who qualified in the preceding year a total of 148 who are certified as competent to teach in the English language. This number is somewhat in excess of the schools granted. The introduction of English as the medium of instruction can be made by no haphazard methods; it must come gradually. One of the effective means of preparing for its introduction has been the method followed in several districts of having the Porto Rican teachers give a part of their work in the English language.

In the month of December, 1905, the use of English in the grades was ascertained to be as follows:

Grades taught wholly in English by American teachers	33
Grades taught partially in English by American teachers	34
Grades taught wholly in English by Porto Rican teachers	36
Grades taught partially in English by Porto Rican teachers	51
Whole number of grades taught wholly or partially in English language	154

This inquiry was made before the meeting of the superintendents' conference at Arecibo. The results of the work were thoroughly discussed at the conference and a number of the superintendents heretofore skeptical of the possibilities of such an organization of their schools went back to their districts and introduced to a greater or less extent the use of the English as a medium of instruction.

It is gratifying to know that wherever introduced, instruction in English has, after a brief period, proven popular both with pupils, teachers. and the community at large. The rate of progress of the pupils has not been diminished. It appears that the attention which the pupil is forced to give to the language is carried over to the subject-matter of instruction and the lesson taught is more accurately learned. The success of the system has greatly encouraged the school authorities and the time seems not far distant when the graded schools throughout the island will be taught in the English language. It is further to be noted that this change is gradually working itself out without any increase in the number of English teachers.

COURSE OF STUDY.

In my previous report attention was called to the inadequacies of the existing course of study for the graded schools of the island. The plan was prepared some years ago, and was based largely upon the experience of American schools. Local needs had not yet made themselves sufficiently felt to exercise much influence in shaping the course. To-day these needs are better, if not wholly, understood.

Moreover, the old course had become antiquated through the fact that it was based upon the supposition that the instruction in the

schools was given in Spanish, with the teaching of English as a special study only. It has already been noted how this condition is gradually passing away, and it can readily be inferred that the former course of study was thereby rendered useless.

But the very fact which superseded the older course of study rendered the preparation of a new one difficult. The work to be covered in the eight grades is the same whatever the language employed in the schools, but it will be differently distributed according as English or Spanish is the predominant medium of instruction. As in our several districts we have all possible combinations in this respect, the preparation of a new course of study immediately applicable everywhere was out of the question. It was necessary to seek out the most frequent basis toward which the organization is tending in the several districts. Accordingly it was assumed that instruction in the first grade should be given in Spanish and from the second grade upward in English.

The course of study prepared can, therefore, go into effect in some districts at once. In others there must be a gradual adaptation to it. It is a model, rather than a law, to be rigorously enforced. The former course of study was little more than a list of headings covered in half a dozen printed pages. The present course is a pamphlet of 100 pages, with a comparatively full pedagogical guide to the teachers in each of the subjects treated.

SCHOOL DECORATIONS.

The desire for decorating the schoolhouses represents a laudable tendency on the part of teachers and school boards. The base walls of the buildings are rendered more attractive by pictorial decoration, and the interest of children in their school work is heightened. Unfortunately, the material available for such decoration within reach of the teachers has not always been of the highest æsthetic order. It has consisted largely of the posters of patent medicine and brewery concerns, which usually bear invitations to use the medicines or beverages produced by them. During the present year the department has sought to raise the level of decoration. A large number of pictures in colors issued by the firms supplying pictorial supplements for the Sunday papers was purchased and issued to the rural schools of the island.

The larger railroad companies of the United States were requested to donate copies of the large pictures used by them for advertising purposes in their central ticket offices. There was a liberal response, and acknowledgment is gratefully made to the railroad companies. About 125 pictures of large size, including a number of very excellent photographs, were distributed to the several districts. Most of them have been framed and placed in the graded schools.

The schools erected throughout the island under my predecessors bear the names of distinguished Americans. Some time ago the school children of Lajas, where the school is named for Oliver Hazard Perry, wrote to the department requesting a picture of Commodore Perry for the decoration of their school. It was found that no picture for such purpose was available in the market, and a photographic reproduction and enlargement of an excellent print in the Library of Congress was secured, framed in the industrial school

at Ponce, and presented to the school at Lajas. The desire of the children of Lajas to know something of the man for whom their school was named has suggested to the department the propriety of placing in all of its schools pictures of the persons for whom they were named. The collection of prints in the Library of Congress has been drawn upon for this purpose, and photographic enlargements of the distinguished persons whose names have been placed upon the schoolhouses have been secured and will, as soon as they can be framed, be presented to the schools.

By the several measures already noted it is hoped that an intelligent interest in school decoration will be awakened.

THE SCHOOLS.

The school system of Porto Rico comprises the common schools, agricultural schools, night schools, industrial schools, high schools, and the normal schools. A group of these schools, consisting of the normal and practice school and an agricultural school, are under a somewhat distinct administration, that of the trustees of the University of Porto Rico, but they are included in this report.

The common schools are divided into two classes, graded and rural schools. The former are located in the towns, and in them instruction is given from the first to the eighth grade, though in some of the smaller towns of the island the upper grades are not represented. In the larger centers of population the different grades are quite distinctly separated, being under the care of different teachers. When the number of pupils is less numerous, especially in the upper grades, the presence of two or more grades in the same class room and with one teacher is not infrequent.

In the rural schools one teacher is in charge of all the pupils enrolled, and gives instruction to two or three grades. In a few cases, where there is sufficient population to support two schools in close proximity, there may be a division of the pupils which places those of the first grade in one school and those of the second and third grades in the other. Such cases are, however, rare.

The different types of schools represented in the system are quite distinct, and each will be treated separately.

THE COMMON SCHOOLS.

SCHOOLS AND TEACHERS.

In rural districts where the schoolhouse consists of a single room, and where a group of children are taught by a single teacher, the terms school and class room are synonymous. Common speech does not make the terms identical in cities, where, as a rule, school and schoolhouse mean the same thing. But for statistical purposes, following the practice in vogue in many of the States, class room and school must be deemed equivalent terms. Thus, a single school building containing six class rooms in charge of as many teachers must be considered as six schools. A school may, therefore, be defined as a group of pupils in the care of a teacher. When a teacher has two distinct groups under his charge, one in the morning and another in the afternoon, each group figures as a distinct school. This definition

is, of course, applicable only to the common schools, and can not be applied to institutions of secondary instruction which have a distinct plan of organization.

In any school system the number of schools open during the year is a relatively stable number, but not one which is absolutely unchanging. A temporary closure of a school on account of the sickness of a teacher may occur for a week or longer period. In cities the number of schools is more constant than in the rural districts. If a teacher is temporarily sick, substitutes are often available. If a teacher dies or resigns it is not difficult to fill the vacancy as there is a large supply of available graded teachers. In rural districts changes in the number of schools are more frequent. If a teacher falls sick it is not possible to secure a temporary substitute. If a teacher dies or resigns it is often difficult to obtain anyone to fill his place, and the school is permanently closed. Again, there are changes in location of the schools. This does not really change the number of schools at any one time, but does increase the number of schools open at any time during the year. Another element of variation is the introduction of half-time schools, which gives us two schools where before there was only one.

The school year 1905–6 began with 494 graded schools open in the first week. In the second week 506 schools were in operation. The number was well maintained, suffering a diminution only in the last weeks of December, when the schools of Guayama were closed by the health authorities. The number even increased, reaching 518 on December 1, 1905, and 526 in May. This increase was almost exclusively due to the introduction of the half-time system, or to assigning English teachers, previously employed as special teachers, to teach grades, and did not therefore require any increase in the number of teachers employed.

The school year opened with 466 rural schools, a number which promptly increased to 474 in the second week of the term. There was from that time forward a gradual increase in the number of schools opened, which reached its highest point, 516, in May, 1906. As stated earlier in the report, there is a deplorable lack of rural teachers. Some of the rural teachers licensed in January were immediately employed, and thus the number of schools grew from this cause. But much more important in its effects was the campaign for increased school attendance, which resulted in a number of cases in giving two schools to the same teacher. In December, 1905, there were only four rural teachers with double schools, but at the end of the year there were 26, of whom 16 were in the district of Bayamon.

At the close of the school year figures were collected in regard to promotions in the schools, which incidentally threw some light upon the organization of the schools. The number of schools reported is not quite identical with that reported in the table already alluded to as open in the final week, since the phrase "existing at the end of the year" allows a more liberal interpretation, as it includes all schools which practically terminated the year's work, though some, like the eighth grades in San Juan and Ponce, had been closed for three weeks, and though some might not have been in operation in the final week.

It appears from these figures that there were 527 graded schools in charge of 503 teachers. The number of schools exceeded the number

of teachers in charge in the districts of Yauco, San German, Mayaguez, Aguadilla, San Sebastian, Toa Alta, and Bayamon. In the last named, 26 graded schools were conducted by 19 teachers. But in addition to the teachers in charge of grades the graded school system requires the services of other teachers. These are in the United States the principals and the special teachers of music, drawing, and the like. In Porto Rico there are a few of the principal teachers who devote their time exclusively to the work of supervision, but by far the greater part of them also teach grades. Special teachers of music and drawing are found only in San Juan, Ponce, and Mayaguez, but special teachers of English are frequent in the island. The whole number of teachers employed but not directly responsible for definite schools was 60.

In the rural schools there were 497 teachers employed, who were in charge of 523 schools. The number of rural schools exceeded the number of teachers in the districts of Yauco, San German, San Sebastian, and Bayamon. In the district of Bayamon 44 schools were conducted by 28 teachers.

This inquiry also furnished data upon the organization of the graded schools. It shows that of the 527 graded schools at the end of the year, 384 consisted of a single grade, 112 of two grades, 25 of three grades, and 6 of four grades. Through these combinations of grades in the same school, 527 schools accommodated as many as 707 grades. It is a question among educators whether the presence of two groups in the same schoolroom really militates against the effectiveness of the teaching. It can not positively be affirmed that when there are only two grades in the school the instruction suffers, but where there are as many as three or four grades there can be little doubt that the attention of the teacher is too much divided for him to do the best work. Fortunately these cases are comparatively rare, and occur only where, by reason of the limited number of pupils, no other organization is possible.

We may revert to the number of schools once more to compare the relative number of graded and rural schools. In former years this number was not stated in the reports of this office for a definite point of time. The available figures are those for the whole number of schools open at any time during the year, a mode of statement which, in comparison with the average number of schools, tends to exaggerate the number of rural schools rather than the graded schools. Despite disparity in the mode of statement the following summary is not without interest:

	Graded.	Rural.	Common.
Number of schools:			
1901–2	381	490	871
1902–3	427	580	1,007
1903–4	497	563	1,063
1904–5	494	554	1,048
1905–6	532	542	1,074
Teachers in charge of schools at end of the fiscal year	503	497	1,000
Schools at end of fiscal year	527	523	1,050

Before 1905–6 the number of teachers in charge of schools was substantially the same as the number of schools, since half-time schools were sporadic only. It will be seen that the graded schools are now

considerably more numerous than five years ago. Apart from the increase due to double schools, above set forth, there is a considerable advance in number. This indicates a better provision for the needs of the town population, though not to the full extent of the figures quoted. In the past it was not infrequent to establish rural schools for first-grade children in the outskirts of towns, and quite a number of these schools have subsequently been converted into graded schools.

As to the rural schools the figures are inconclusive. It would appear at first blush that this consequence scarcely followed; from the fact that in the year 1902–3 the whole number of rural schools was 580 and in 1905–6 was 542. But there is much reason to believe that the whole number of schools was relatively larger in proportion to the average number in the earlier period. Changes were much more frequent. Rules of the department at present discourage changes. It seems, however, not unlikely that the number of rural schools may have somewhat diminished. This is not quite equivalent to saying that schools in the rural regions have decreased, since it is believed that the location of rural schools within the urban limits was more frequent in former years than of late. It is, however, sufficiently clear that there has been no substantial advance in the schools in the rural regions. In view of the great needs of the rural districts, which were set forth at length in the report of 1904–5, this is greatly to be deplored. All efforts to increase the number of schools in the rural regions have been defeated by the scarcity of rural teachers.

ENROLLMENT.

The next question asked in regard to any school or system of schools is the number of its pupils. Simple as the question may appear, there are several ways of answering it. We may receive in reply (*a*) the whole number of pupils enrolled during the year, (*b*) the number appearing on the rolls at a given time, or (*c*) the average number on the rolls during the year. The first reply is the most frequent, for the number is larger than the others and the natural desire to make a good showing inclines toward this figure. The enrollment of a single school is easily ascertained. It represents the whole number of different pupils who have been in the school for any time whatever during the school year. It includes necessarily quite a number whose connection with the school has been brief, who for one reason or another have dropped from its ranks or who have entered them late in the year.

But if the total enrollment of a single school is readily ascertained, it is by no means equally easy to obtain the total enrollment of a system of schools. Pupils shift from one town to another and from one school to another. Count may be taken of the reenrollments by various methods, but there is reason to believe that almost any system devised has weak points and sources of error. It is probable that every statement of total enrollment contains duplications to a greater or less extent.

According to the records of the department, there were in 1906 60,781 enrollments, excluding 6,444 cases of ascertained reenrollments. Although an attempt was made to clearly separate the reenrollments it is much to be doubted whether the ascertained cases comprise all the actual cases.

To what extent does total enrollment measure the efficiency of the school system? No answer to the question can be given until we know the relation existing between the total enrollment and the average enrollment and understand exactly how the latter is computed. Just as the total enrollment represents the whole number of children affected by the school system, irrespective of the length of time which they may have been under its influence, so the average enrollment is an expression of the number of children on the roll on the supposition that each child remains for the entire period. The more closely the two figures approach each other the more favorable must be the conditions of school work. If the figures tend to converge it indicates stability of personnel among the children of the schools—that most of them actually belong to the schools for the entire period, and that few are there for a short period. If the figures are far apart it means a relative prominence of those children whose relation to the school is fitful and irregular.

The figures for Porto Rico in the school year 1906 are as follows:

	Graded.	Rural.	Common.
Total enrollment	28,116	32,665	69,781
Average enrollment	22,708	23,946	46,754

The divergence between the total enrollment and the average enrollment is considerable. It will be noted that this divergence depends in part at least upon the accuracy with which the average enrollment is ascertained. One of the primary purposes of ascertaining average enrollment is to compare it with the attendance, since one of the primary tests of a school system is the regularity of attendance. This criterion has determined the policy of this department, namely, to secure as faithful and accurate a statement of attendance as possible. There are two factors concerned, the pupils present and those belonging to the school. The first factor is positive and admits of no doubt. It has been rigidly adhered to. An illustration may make this clear. In a certain town 10 schools, with an enrollment of 500 pupils and a daily attendance generally of about 460, are closed by health authorities for a period of two weeks. In the statistics of this department these schools entirely disappear for two weeks. In the practice of other school authorities the schools continue with the same enrollment as before and with an attendance of 100 per cent. The latter system maintains a higher relation between average enrollment and total enrollment.

Again, a further question arises as to the pupils who really belong to the school when it is in session. Does a child who appeared on the roll a month ago, who has since dropped out of sight, really belong to the school? Does a child who has been away from school some time and is known to be confined to his bed by a serious sickness really belong to the school for the purposes of computing attendance? In the opinion of this department both questions should be answered in the negative, and hence the necessity of keeping the enrollment record clear of the names of pupils whose connection with the school is nominal only and not real and effective. Hence, under the rules of the department, a child absent for more than five days for any cause whatever is omitted from the record of the enrollment.

Our calculation of enrollment for each day, therefore, excludes all children who can not reasonably be expected to be present. The calculation of enrollment for the week excludes all schools not actually in operation. If a school is in operation, though closed for a day or two, it is computed as if in full operation, so that the enrollment of the week represents the sum of the weekly averages of all schools actually open during all or part of the week.

There were, as already stated, 60,781 pupils entered upon the books of the various schools during the year. In addition there were 6,444 pupils entered upon the books of at least two schools, making an aggregate of original entries of 67,225 pupils. Our records show that beginning with nothing there were during the course of the year 78,012 pupils added, not to the lists, but to the daily enrollment. This indicates that the five-day suspension rule in the course of the year affected 10,787 pupils, the difference between the aggregates already given. It is manifest that had these pupils not been dropped under the five-day rule and later reinstated the enrollment week by week and the average for the year would have been recorded as considerably higher than it has been. Equally obvious is it that the number of recorded absences would have been proportionally greater and the percentage of attendance in the schools proportionally lower.

The divergence between the average enrollment and the total enrollment being sufficiently explained, it remains for us to consider the relation between the weekly enrollment and the average. In all schools there is a loss of pupils during the year, and we should on this account expect the initial number of pupils to gradually decline. This would be true of a high school, which normally has no accessions during the year. It would, in a large measure, be true of the upper grades of the graded school. But in the graded schools as a whole the tendency is, in part, counteracted by the admission of pupils to the first grade. Thus, in the graded schools of Porto Rico we find in the first week of the term 21,426 pupils enrolled. In the first five weeks of the term the number had increased to 23,509, the maximum for the year. Until the week ending December 1 it maintained itself above the 23,000 mark. After that the figure lies generally between 22,000 and 23,000, falling below the former only twice in the last weeks of the first and the third term, and rising above the latter only twice in the month of March.

Somewhat different is the course of enrollment in the rural schools. Here a much larger proportion of the pupils are of the first grade. The year began with 15,942 pupils, and in the fifth week the number had reached 22,154. But after that it continued to rise, reaching 23,000 November 17, 24,000 January 19, and 25,000 March 2. The maximum attained was May 4, when the figures reached 25,909, declining slightly subsequently, as the year terminated with 24,524.

From these figures it is clear that the number of pupils at any time later than five weeks after the opening of school is a pretty fair indication of the average number of pupils belonging to the schools. It was with this in view that the date of March 2, 1906, was selected as appropriate for a census of the school children, the results of which are discussed later.

The number of children enrolled in the schools may be brought into connection with the number of schools, and the figure familiar

in school statistics of the enrollment per school may be obtained. In any given school an increase of enrollment is usually hailed with satisfaction as an evidence that the usefulness of the school is increasing, and within certain limits an increase in enrollment per school may be regarded in like manner. There are, however, certain definite limits to the enrollment per school. The first is, that a teacher can not effectively teach more than a certain number of pupils. How large this number may be will ever be a matter of dispute. In his last report (1905) the superintendent of schools of New York City declares that a teacher can not instruct effectively more than 40 pupils. It may well be that for upper grades this is the largest number consistent with good results, though in the lower grades the number might be smaller. Thus, in Washington, D. C. (1904), there are 48.5 pupils per teacher in the first grade and 40.3 in the eighth. In the city of Omaha, Nebr., the attendance per teacher in 1900 was 36, indicating an enrollment of a little more than 40. In 1904 in the cities of the United States having 8,000 inhabitants the attendance per teacher was 34.7, indicating an enrollment of about 40. While definite rules upon this point can not be fixed, certain it is that in the lower grades a teacher should never be expected to teach in excess of 50 pupils at any one time.

With a good average attendance the enrollment should not exceed at the most 55. This is the theoretical limit allowing for an average of 5 absences daily. There is again a practical limit in the seating capacity of schoolrooms. Rooms which will comfortably seat 50 children, and on some days crowd in three or four more, are not frequent. Whether in any given district the enrollment per school is satisfactory could only be ascertained by a comparison between the potential enrollment and the actual enrollment, with a full knowledge of local conditions. If our school buildings in Porto Rico had been erected for the purpose we might suppose, as we generally can suppose in the United States, that the seating capacity has a definite relation to the number of children who should make up a school. But here we have many ill-adapted buildings, and unfortunately data relating to seating capacity has not been collected. It is, on the contrary, certain that in many schools actual enrollment can not be forced up to the theoretical limit without great hardship to the pupils. Again, local conditions must be thoroughly studied, for the theoretical limit is oftentimes unduly removed from the probable limit. For a given group of schools which have not reached their potential enrollment an increase of enrollment per school is a sign of progress. But if the group be considerably enlarged and schools are pushed out into regions of sparse population the necessarily low enrollment in the new schools may cover up a real increase in the older schools, and the general result be a diminution in the enrollment per school.

The average daily enrollment of pupils in the graded schools of the island was 44.01 per school. The range of variation was from 35.82 in San Juan to 57.31 in Naguabo. In four towns of the island it was less than 40, and in six towns more than 50. The low enrollment in San Juan is due in large measure to physical conditions. None of the schools are in specially constructed school buildings. The rented buildings have in them frequently small rooms, which must be utilized. Again, the upper grades are relatively more

numerous in San Juan than in the other localities, and in them a smaller enrollment is desirable than in the lower grades.

The enrollment per school is also affected in some measure by the half-time system, since such double schools are rarely so large as two single schools. Where the double schools prevail the enrollment per school is not so significant as a measure of the utilization of school facilities as the enrollment per teacher. This can be shown by applying the average enrollment to the schools open at the end of the year. In those districts where the number of schools and of teachers in charge is identical, the enrollment per school and per teacher are the same. In the other districts the results are as follows:

Enrollment in graded schools.

	Per school.	Per teacher.
Yauco	51.98	56.93
San German	47.63	53.12
Mayaguez	43.65	47.50
Aguadilla	40.17	49.30
San Sebastian	51.67	55.64
Toa Alta	45.77	50.86
Bayamon	39.63	54.23
Island	44.01	46.11

On the basis of schools Yauco stands at the head of the list, closely followed by San Sebastian. These districts retain their relative rank on the basis of teachers. Other districts take much higher rank on the basis of teachers than on that of schools, notably Bayamon.

Our tables show for the graded schools a slight diminution from 45.04 in the first term to 43.14 in the third term, which agrees with what has already been said with respect to the fluctuation in the enrollment.

Turning now to the rural schools, we find that the average enrollment per school was 48.42, or in excess of the graded schools. This is probably due not so much to the greater size of the class rooms as to the fact that the great majority of pupils are in the first grade and are more readily recruited than the pupils of the graded schools. The range of variation by towns was from a minimum of 39.70 in Maricao, to 57.03 in Fajardo; and by districts, from 41.32 in Bayamon to 55.09 in Fajardo. But as certain districts have an excess of schools over teachers it is important in estimating the work of such districts to find the number of the enrollment per teacher, as has already been done for the graded schools. The results for the rural schools are as follows:

Enrollment, rural schools.

	Per school.	Per teacher.
Yauco	54.24	62.38
San German	49.52	51.90
San Sebastian	50.69	60.20
Bayamon	41.32	64.93
Island	48.42	50.95

It will be noted that the calculation of enrollment per teacher places Bayamon at the head instead of the foot of the list, and raises all the districts considerably above the average.

Our tables show further an increase of the average enrollment in the second term and some falling off in the third, though the first term only is below the average.

Finally, our tables show, in regard to the enrollment of the graded schools at the end of the year, the number of pupils receiving instruction in rooms of one grade only, and of mixed grades. In a total of 22,273 pupils, 16,407 are in rooms where two grades are taught, 964 where three grades are taught, and as many as 266 where four grades are taught in the same room. All of the districts have enrollments of two grades in some of their schools, and as many as twelve have enrollments of three grades.

ATTENDANCE.

The attendance of the pupils in the schools is one of the most expressive measures of the efficiency of the school system. It is the factor of primary importance in any school system where the records of enrollment are loosely kept. It is the only means of comparing different places or different periods when there is no record of the average enrollment. With the system adopted in the past year in our schools, it is to be expected that the attendance in the schools will follow the same general tendencies as the enrollment. There may be variations in the intensity of attendance at different times or different districts, but the general percentage is so high that the opportunity for variation is slight. The method of calculating the weekly average of attendance and the derived averages for terms and for the year is identical with that already described for the enrollment. The results for the present year are as follows:

Average attendance.

	Graded schools.	Rural schools.
First term	20,746.76	19,188.26
Second term	20,819.01	21,634.24
Third term	20,545.03	22,475.14
Year	20,703.60	21,099.20

As might be anticipated from data already studied in regard to enrollment, the figures for graded schools show practical stability and those for the rural schools an advance as the year progressed.

In the report of last year an attempt was made to show the extension of the school system by a reference to the average number of pupils taught each day or the daily average of attendance. The figures showed a satisfactory increase from year to year. But they were not calculated on the same basis as in the present year, and unfortunately the basis of calculation was false. This inaccuracy consisted in taking the whole number of schools open during the year and multiplying this number by the average attendance per school. By such methods the schools which were in existence for a period briefer than the whole year were counted as if in operation

for the entire year. This defect would not invalidate comparisons made between the different years as to the rate of progress, but it would make the return for each year somewhat higher than the real facts in the case warranted. Accurate data for the calculation of the daily average attendance in the schools were not available before the present year. How far these figures of former reports exceed those which would have resulted from the use of the methods employed in the present year can, however, be estimated. Calculations made on the basis of the old method give for the year 1905–6 a figure of 44,540.54 for the average attendance, which is higher than the correct figure, 41,802, based upon the improved methods of this report. Using the proportions thus obtained to estimate what would have been the number of pupils attending in previous years, we arrive at the following results:

Average attendance.

School year.	By method of former reports.	By method of this report.
1901–2	[a] 31,488.63	[b] 29,552.08
1902–3	[a] 34,271.71	[b] 32,164.00
1903–4	[a] 39,928.35	[b] 37,472.76
1904–5	[a] 42,989.27	[b] 40,345.43
1905–6	[a] 44,540.54	[b] 41,802.40

[a] As printed. [b] As estimated.

It will be seen that the progress of the schools has been constant, though for reasons above set forth the more accurate statement of the progress is found in the figures of the second column.

The figures for the attendance per school give rise to considerations similar to those already discussed in connection with the enrollment per school. But comparing the latter with the former we obtain one of the most significant figures respecting schools, the percentage of attendance, which measures the intensity of application of the pupils and in a way also the seriousness with which the parents regard the school duties of their children.

In the graded schools of the island the percentage of attendance for the year was 91.33, a result which must be considered in the highest degree satisfactory. It indicates a high degree of regularity in attendance and shows that the children do not absent themselves from school for trivial causes.

Moreover, the high average of attendance is well maintained in the different towns and districts of the island. The most favorable showing is found in the town of Sabana Grande, with 95.77 per cent, and the least favorable in Las Marias, with 81.57 per cent. By districts the best showing is made by Yauco, comprising the towns of Yauco and Sabana Grande, with 94.71 per cent, while the smallest district average, 87.05 per cent, is found in Caguas, comprising Caguas, Aguas Buenas, and San Lorenzo. It may be further noted that the high percentage of attendance has been well maintained throughout the year, the percentages by terms being 90.94, 91.56, and 91.42 for the first, second, and third terms, respectively.

It would be interesting to compare these results with those for the cities of the United States. For this purpose I have drawn a few

figures from the reports available in this office, which are herewith submitted:

City.	Date.	Percentage of attendance.	City.	Date.	Percentage of attendance.
Dayton, Ohio	1900	92.5	Savannah, Ga	1904	88.0
Syracuse, N. Y	1900	94.8	Dallas, Tex	1904	92.4
Harrisburg, Pa	1903	89.0	Worcester, Mass	1904	90.6
Portland, Oreg	1904	95.9	Chicago, Ill	1904	93.4
Bradford, Pa	1904	96.0	Springfield, Mass	1901	92.0

It is certainly gratifying to note that these cities with their old-established systems get results about the same as in the island of Porto Rico and that but few exceed the record of Sabana Grande (95.77) or Manati (95.01).

Equally encouraging are the figures for the rural schools, where, for obvious reasons, the same high standards can not be expected as in the graded schools. Here, in spite of adverse circumstances, the very excellent average of 88.17 per cent was attained in the rural schools of the island. The maximum attendance was found in the municipality of Sabana Grande (94.51 per cent) and the minimum in San Lorenzo (83.23 per cent). The best district was that of Yauco (93.95) and the poorest that of Caguas (84.48), these districts including the maximum and minimum municipalities, respectively. Furthermore, it may be noted that there was an improvement during the year, an attendance of 87.81 per cent in the first term being followed by one of 87.98 per cent in the second term and 88.92 per cent in the third term.

During the past year especial attention was given both in the office of the department and by the superintendents of schools to matters of enrollment and attendance. It was felt that by increasing the enrollment and insuring the regularity of attendance not only could the area of the school work be extended but its effectiveness increased. In both directions signal results have been obtained, which should be a rich reward for the efforts made. It is, however, clear that in the great majority of cases the practical limit of enrollment has been reached. A few schools lag considerably behind the average, and these should receive attention. But so far as present schools are concerned future efforts can not look to any great advance in enrollment or attendance. But the good results already attained should be maintained by the continued exertions of the department, the superintendents, and the teachers.

SEX OF PUPILS.

We come now to the final and most important element in our consideration of the common schools—the pupils. As already stated, a more or less elaborate census of the pupils was taken on March 2, comprising all the pupils enrolled in the schools on that date. It concerned such important factors as the sex, age, grade, and length of time in school, and was so arranged that a number of the factors could be ascertained in combination. It is believed that the full and

accurate results obtained by this independent record fully justify the departure from the usual practice of basing the personal statistics of school children upon the annual registration. The totals with which they deal approach, as has already been noted, much closer to the average enrollment and thus give, it is believed, a truer picture of average conditions in the schoolroom. The enumeration of pupils made in March disclosed the following facts as to the sex of pupils, grouped according to grades:

TABLE A.—*Distribution of pupils enrolled March 2, 1906, by grades and sex.*

Grade.	Graded schools.			Rural schools.			Common schools.		
	Males.	Females.	Total.	Males.	Females.	Total.	Males.	Females.	Total.
First	4,921	4,284	9,205	9,639	6,554	16,193	14,560	10,838	25,398
Second	2,695	2,450	5,145	3,731	2,462	6,193	6,426	4,912	11,338
Third	1,883	1,840	3,723	1,934	1,027	2,961	3,817	2,867	6,684
Fourth	1,283	1,065	2,348	.....	.....	.....	1,283	1,065	2,348
Fifth	831	620	1,451	.....	.....	.....	831	620	1,451
Sixth	409	333	742	.....	.....	.....	409	333	742
Seventh	222	251	473	.....	.....	.....	222	251	473
Eighth	160	165	325	.....	.....	.....	160	165	325
Total	12,404	11,008	23,412	15,304	10,043	25,347	27,708	21,051	48,759

If we fix our attention upon the total it will be noted that in both the graded and rural schools the number of boys is greater than the number of girls, though the difference is greater in the rural schools. In respect to the superior number of boys, Porto Rico does not differ from the United States at large, though the excess of boys is proportionally much greater here than there. In the aggregate this is due to the relative preponderance of the rural ungraded school in the Porto Rican system.

If we examine the figures for American cities we find that there is on the whole a preponderance of girls in the public schools. Thus in 37 Massachusetts towns named in the latest report of the Commissioner of Education at Washington (1903–4, vol. 1, p. 1332) there are only 12 in which the boys in the common schools exceed the girls in number. On the other hand, in the 45 towns in Porto Rico there are only 8 in which the girls are more numerous than the boys in the graded schools.

In any community the number of boys of school age is likely to be slightly in excess of the girls of the same age, but the girls as a rule stay longer in school. They are not forced out of school by the necessity of gaining a livelihood, nor are they tempted from it by opportunities of earning money to the same extent as the boys. The average boy has a desire to "do things" and is not convinced that school offers him the opportunity.

These tendencies are brought out more clearly by a consideration of the sex distribution in the different grades. No general report has been made upon the subject for the cities of the United States and the individual reports of the different cities generally lack data upon this point. All the reports in my office have been examined and tables extracted for a number of cities. They can not be reproduced here in detail, but they show that in the lower grades boys are

generally in the majority and in the upper grades the girls are more numerous. Thus we find:

City.	Year.	Excess of boys.	Excess of girls.
Houston, Tex	1904	Up to third grade, inclusive	Fourth grade and upward.
Washington, D. C	1904	Up to second grade, inclusive	Third grade and upward.
Kansas City, Mo	1905	do	Do.
Buffalo, N. Y	1904	Up to sixth grade, inclusive	Seventh grade and upward.
New York City	1905	Up to third grade, inclusive	Fourth grade and upward.
Erie, Pa	1901	do	Do.
Cambridge, Mass	1905	Up to fifth grade, inclusive	Sixth grade and upward.
Worcester, Mass	1904	Up to eighth grade, inclusive	Ninth grade and upward.
Graded schools, Porto Rico.	1906	Up to sixth grade, inclusive	Seventh grade and upward

This explanation is further confirmed by an examination of the age tables. It appears that in the graded schools of Porto Rico there are 652 pupils of 16 years of age and upward, but of these 295 are males while 357 are females. In other words, when children have not completed their common school education by the age of 16, girls are more apt to remain in school than boys.

It has already been pointed out in our annual reports that the schools of Porto Rico could not reach all the persons for whom they are designed. If every child who should go to school had an opportunity of doing so and, as in the United States, was forced to attend school, we should probably have a still more marked expression of the greater persistence of the girls in the schools.

In the rural schools there is a marked preponderance of boys in all classes. In estimating this we should remember that the rural school contains only those grades in which boys normally preponderate, and that in view of the distance of the schoolhouses from the homes of the pupils there are special reasons for an excess of boys in the rural regions. So far as I have been able to secure data for rural schools separately in the States, and such data are rare, a like condition prevails there also.

AGE OF PUPILS

The next important consideration in regard to the pupils is their age. The following summary shows the age of each sex in the common schools:

TABLE B.—*Distribution of pupils enrolled March 2, 1906, by ages and sex.*

Ages.	Graded schools.			Rural schools.			Common schools.		
	Males.	Females.	Total.	Males.	Females.	Total.	Males.	Females.	Total.
5 years	93	93	186	160	107	267	253	200	453
6 years	498	443	941	704	533	1,237	1,202	976	2,178
7 years	1,080	923	2,003	1,613	1,090	2,703	2,693	2,015	4,706
8 years	1,315	1,194	2,507	2,081	1,355	3,436	3,394	2,549	5,943
9 years	1,351	1,233	2,584	1,994	1,302	3,296	3,345	2,535	5,880
10 years	1,925	1,668	3,593	2,371	1,698	4,069	4,296	3,366	7,662
11 years	1,475	1,355	2,830	1,737	1,202	2,939	3,212	2,557	5,769
12 years	1,850	1,537	3,387	2,127	1,354	3,481	3,977	2,891	6,868
13 years	1,286	1,060	2,346	1,181	715	1,896	2,467	1,775	4,242
14 years	793	720	1,513	757	407	1,164	1,550	1,127	2,677
15 years	445	425	870	367	196	563	812	621	1,433
16 years	168	198	366	138	55	193	306	253	559
17 years	90	94	184	55	24	79	145	118	263
18 years	33	55	88	19	5	24	52	60	112
Over 18 years	4	10	14	0	0	0	4	10	14
Total	12,404	11,008	23,412	15,304	10,043	25,347	27,708	21,051	48,759

In a community with absolute compulsory education, rigorously enforced, we should expect the greatest number of children in the schools in the very earliest years of school life, since these are the classes most numerous in the population at large. Where there is greater liberty for parents in the matter of sending children to school, due to inadequate facilities, we should expect a larger number of belated entries. Moreover, where the school system has been recently introduced the beginners will be older than where it has been in long-continued existence. We should expect this in Porto Rico, where the system is still expanding. When the system grows older we shall probably find a better representation of the ages below ten years.

Unfortunately there has been no study in detail in the United States of the ages of school children generally with which we could compare our conditions in Porto Rico. National and State reports do not give this detail, and it is only in a few cities that we find any statements. Availing myself of such material as is at my command in this office, I am able to compare the ages in the graded schools of Porto Rico with the ages in the graded schools of three cities in the United States.

TABLE C.—*Distribution of pupils in town graded schools, by ages.*

Age.	Porto Rico, 1906.		Springfield, Mass., 1901.		Kansas City, 1905.		Portland, Oreg., 1904.	
	Number.	Per cent.	Number.	Per cent.	Number.	Per cent.	Number.	Per cent.
Under 6 years	186	0.8	456	5.06				
6 years	941	4.0	858	9.6	3,593	13.1	953	8.2
7 years	2,003	8.6	1,003	11.2	3,012	10.9	1,326	11.4
8 years	2,507	10.7	995	11.1	3,119	11.3	1,296	11.2
9 years	2,584	11.0	885	9.9	3,034	11.0	1,296	11.2
10 years	3,593	15.3	893	10.0	3,110	11.3	1,379	11.9
11 years	2,830	12.1	828	9.3	3,078	11.2	1,313	11.3
12 years	3,387	14.5	816	9.1	3,020	11.0	1,247	10.7
13 years	2,346	10.0	768	8.6	2,612	9.5	1,195	10.3
14 years	1,513	6.4	712	7.9	1,855	6.8	887	7.6
15 years	870	3.7	428	4.8	753	2.73	466	4.0
16 years	366	1.6	212	2.3	240	.9	181	1.6
17 years	184	.8	83	.9	48	.2	48	.4
18 years	88	.4	20	.2	14	.05	15	.1
Over 18 years	14	.1	4	.04	6	.02	15	.1
Total	23,412	100.0	8,961	100.0	27,494	100.0	11,615	100.0

The table shows a maximum number of children at the age of 10 in Porto Rico, at 7 in Springfield, at 6 in Kansas City, and at 10 in Portland, though in the latter case the percentage is only slightly higher than it is at the age of 7. Or again, looking at it in another way, the percentage of children under 10 is 35.1 in Porto Rico, but in Springfield it is 46.9, in Kansas City 46.2, and in Portland 42. Conversely, a glance at the table shows a larger proportion of older pupils in Porto Rico than in the cities with which it is compared. Equally interesting in this table is the more even distribution of ages among pupils in the American cities.

We have considered the ages of the whole body of children in school. School life in the graded schools at least contemplates eight years of the child's life, and the really significant facts as to the ages of the children in school can only be seen by a comparison of ages and grades. This is furnished in the following table:

TABLE D.—*Distribution of pupils enrolled March 2, 1906, by grades and ages.*

GRADED SCHOOLS.

Age.	First grade.	Second grade.	Third grade.	Fourth grade.	Fifth grade.	Sixth grade.	Seventh grade.	Eighth grade.	Total.
5 years	185	1							186
6 years	921	19	1						941
7 years	1,816	173	14						2,003
8 years	1,836	572	90	8	1				2,507
9 years	1,368	850	309	54	3				2,584
10 years	1,472	1,163	681	234	34	7	2		3,593
11 years	704	868	759	348	110	36	5		2,830
12 years	585	888	932	558	305	79	34	6	3,387
13 years	207	397	581	556	357	151	76	21	2,346
14 years	91	162	217	356	357	186	100	44	1,513
15 years	15	45	108	174	202	154	97	75	870
16 years	3	6	26	40	55	78	89	69	366
17 years	1	1	4	16	21	36	46	59	184
18 years	1		1	4	6	15	20	41	88
Over 18 years							4	10	14
Total	9,205	5,145	3,723	2,348	1,451	742	473	325	23,412

RURAL SCHOOLS.

Age.	First grade.	Second grade.	Third grade.	Total.
5 years	251	16		267
6 years	1,226	11		1,237
7 years	2,626	76	1	2,703
8 years	3,034	362	40	3,436
9 years	2,505	694	97	3,296
10 years	2,588	1,222	259	4,069
11 years	1,437	1,078	424	2,939
12 years	1,450	1,342	689	3,481
13 years	577	716	603	1,896
14 years	296	406	462	1,164
15 years	137	165	261	563
16 years	42	72	79	193
17 years	17	25	37	79
18 years	7	8	9	24
Over 18 years				
Total	16,193	6,193	2,961	25,347

Fixing our attention upon the graded schools we can not but be struck by the wide diversity in the age of children in the first grade. It is clear that, with the comparatively recent spread of the schools in Porto Rico, they are appealing to a large number of children of rather mature age who have hitherto been deprived of school opportunities. It is a striking and certainly unusual thing that of the 9,205 children in the first grade, as many as 903, or nearly 10 per cent, should be 12 years of age and upward. This great diversity of age, which is found likewise in the other grades, can not fail to present difficulties in the school work comparatively unfamiliar in the United States. Thus, quoting again the city of Springfield, Mass., we find that in 1901 it had 1,717 pupils in the first grade, but of those only 6 were of 12 years and upward. To pursue the comparison a step further, we find in the Porto Rican graded schools as many as 3,079 first-grade pupils of 10 years of age and upward, or 33.4 per cent, while in Springfield the corresponding number was only 15, or less than 1 per cent. There is no reason why the Porto Rican child should not begin his schooling as early as the American child, and of course many of them begin quite as soon; but there are evidently a large number who have begun much later.

Examining the figures for the second and the subsequent grades, we see in each a wide diversity of age growing less as we advance. A short expression of this age diversity can be found by dividing the pupils of each grade into those of normal age and those above that age. To a certain extent the conception of a normal age must be conventional. In a discussion of this subject in the annual report of the Commissioner of Education of the United States the age of 8 is taken as normal for the first grade. It is considered that while children may begin at 6 years, at 8 every child should be in school. Adopting the same plan for the graded schools of Porto Rico, we find the following figures:

TABLE E.—*Number of pupils enrolled March 2, 1906, in each grade who were above normal age—Comparison with percentages for Boston, Mass.*

GRADED SCHOOLS.

Grade.	Normal age.	Pupils of normal age and under.	Pupils above normal age.	Total pupils.	Pupils above normal age.	Pupils above normal age in Boston, Mass.
	Years.				*Per cent.*	*Per cent.*
First	8	4,758	4,447	9,205	48.3	22.2
Second	9	1,615	3,530	5,145	68.6	54.3
Third	10	1,095	2,628	3,723	70.6	36.8
Fourth	11	644	1,704	2,348	72.5	48.4
Fifth	12	453	998	1,451	68.8	50.7
Sixth	13	273	469	742	63.2	50.3
Seventh	14	217	256	473	54.1	49.6
Eighth	15	146	179	325	55.1	41.7

RURAL SCHOOLS.

First	8	7,137	9,056	16,193	55.9	.....
Second	9	1,159	5,034	6,193	81.3	.....
Third	10	397	2,564	2,961	86.6	.....

Figures for Boston from the report above named have been added for comparison. Looking at the Porto Rican figures, it appears that the proportion of children above the normal age is nearly one-half in the first grade. This comprises all children who originally entered after 8 years of age, and doubtless includes a considerable number who entered at the age of 8 and who were not promoted at the end of their first year of schooling. In the second grade the proportion mounts to 68.6 per cent. In the increase we have, of course, no question of children entering school late, since all in the second grade must have passed through the first grade, but we have a clear expression of the effects of nonpromotion of the pupils. It will be observed that the proportion of pupils above average age increases to the fourth grade, each year adding its quota of nonpromoted children. But after the fourth grade the proportion diminishes. As the number of pupils diminishes, it is plain that the older pupils are the first to drop out, leaving the field to the younger pupils. A glance at the Boston figures reveals the same tendencies, but not in so marked a degree. Here the number of children above normal age at the outset is not so great relatively.

The presence of pupils who are so far advanced in years in all the grades is a striking feature of our Porto Rican schools. While it is obvious that the age of 15, deemed a normal age for the eight grade,

is often exceeded, it will be conceded that few care to stay in the elementary schools when they have reached the age of 18 years. Hence we may consider that those who can not finish their common school education before the age of 18 are beyond any question very much beyond the normal age of their respective groups. We find this number to have been:

Grade.	Ages.	Number.	Per cent.
Eighth	18 years and upward..	51	15.7
Seventh	17 years and upward .	70	14.7
Sixth	16 years and upward..	129	17.5
Fifth	15 years and upward..	284	19.5
Fourth	14 years and upward..	590	20.8
Third	13 years and upward..	937	25.2
Second	12 years and upward..	1,499	29.1
First	11 years and upward..	1,607	17.5

Comparing these figures with those formerly given, including many who were only slightly above normal age, we find that the percentage instead of increasing to the fourth grade diminishes steadily after the second grade, and at the end is slightly less than at the beginning. In other words, the more advanced the age, relatively to the grade, the faster the children drop out of schools. It would seem, however, as if the persistence of these pupils in the schools was slightly greater in the eighth grade than in the seventh grade.

With this somewhat full interpretation of the figures for the graded schools, it will hardly be necessary to more than glance at the corresponding figures for the rural schools. Here we notice that the range of age among the beginners or in the first grade is even greater than in the graded schools. The percentage of pupils above normal age is much higher in the first grade, being 55.9, and rises in the third or final grade of these schools to 86.6. We find a very satisfactory explanation of this, in the fact that schools have been recently implanted in many rural districts, and in all of them the influx of new scholars has probably been greater than in any previous year.

GRADES.

Our discussion of the sex and age of the children in school has already indicated how important in any analysis are the different school grades. Those determine the position of the child within the school plan. Our system is based upon eight grades for the town schools and three for the country schools. The distribution of pupils in the several grades is shown in the following table:

TABLE F.—*Distribution of pupils enrolled March, 2, 1906, by grades.*

Grade.	Number.			Per cent.		
	Graded schools.	Rural schools.	Common schools.	Graded schools.	Rural schools.	Common schools.
First	9,205	16,193	25,398	39.3	63.9	52.2
Second	5,145	6,193	11,338	22.0	24.4	23.4
Third	3,723	2,955	6,678	15.9	11.7	13.6
Fourth	2,348	.....	2,348	10.0	.....	4.8
Fifth	1,451	.....	1,451	6.2	.....	3.0
Sixth	742	.....	742	3.2	.....	1.5
Seventh	473	.....	473	2.0	.....	0.9
Eighth	325	.....	325	1.4	.....	0.6
Total	23,412	25,349	48,761	100.0	100.0	100.0

It appears from this table that more than half the children are in the first grade and that the proportion is considerably larger in the rural schools than in the graded schools. The very high percentage in the rural schools is without doubt due in part to the extraordinary efforts made in the past year to increase school attendance. It seems not improbable, though we have no figures bearing upon this point, that the proportion is somewhat larger than in the previous year. If we turn our attention to the graded schools, it appears that nearly 40 per cent of the pupils are in the first grade. How shall we interpret this striking fact, that, of the eight years schooling which the system offers, so large a proportion of children should be in the first grade? If all the children who go to school completed their studies and completed them in the eight years provided, it is clear that the classes would diminish in numbers only as the population decreases, through the deaths of its members. But as nowhere do all children who enter the public schools complete their studies before leaving, we must seek in the experience of other places some standard by which to estimate the figures already cited. For this purpose I have drawn up from the report of the United States Commissioner of Education for 1903–4 the following table relating to 58 cities in the United States:

TABLE G.—*Distribution of pupils by grades in certain American cities.*

[Report of United States Commissioner of Education, 1903–4, pp. 1311–1313.]

Grades.	Systems without kindergarten.		Systems with kindergarten.		Total.	
	Number.	Per cent.	Number.	Per cent.	Number.	Per cent.
Kindergarten			71,409	4.5	71,409	4.1
First	38,157	20.8	311,959	19.8	350,116	19.9
Second	27,319	14.9	252,619	16.0	279,938	15.9
Third	27,243	14.9	239,057	15.2	266,300	15.1
Fourth	25,417	13.9	212,634	13.5	238,051	13.5
Fifth	22,420	12.2	179,027	11.4	201,447	11.5
Sixth	19,020	10.4	136,255	8.6	155,275	8.8
Seventh	14,242	7.8	100,027	6.3	114,269	6.5
Eighth	9,402	5.1	73,838	4.7	83,240	4.7
Total	183,220	100.0	1,576,825	100.0	1,760,045	100.0

For the purpose of this comparison the kindergarten pupils may be reckoned with the first grade. Here, again, we find the first grade more numerous than any other, the preponderant feature in the system, comprising nearly one-fourth of all the pupils. There is quite a falling off in the second grade, a decline of 8.1 points, but after that the decline is quite gradual, there being a difference of only 4.4 points when the fifth grade is reached. On the other hand, in the graded schools of Porto Rico nearly 40 per cent of the children are in the first grade, while the drop to the second is one of 17.3 points, and the subsequent diminution is very rapid—a further drop of 15.8 points when the fifth grade is reached. These are the obvious facts—what is the probable explanation? The following circumstances have a bearing upon the case.

1. The system is comparatively new. The pupils of the fifth grade who have been at least five years in school are survivors of the first-grade pupils of 1901. These were much less numerous than those of 1906.

2. Children drop out of school earlier in their school career than in the United States. This is probably true of those who enter school young. It is certainly true of those who enter the schools comparatively late, and our discussion of ages has shown that this class is very numerous.

3. The number of children who make slow progress in their work and who spend more than one year in a grade is larger than in the United States.

Unfortunately we have not the data for measuring accurately the relative strength of these three features. We can only approximate them. Considerable light is thrown upon these problems by an inquiry made into the number of years which the children have been in school.

LENGTH OF TIME IN SCHOOL.

The length of time which a child passes in the schools is an important measure of the service which a school system is rendering the community. In order to make this point plain resort may be had to a suppositious case. In community A let us assume that in each of the ages 7, 8, 9, 10, and 11 there are 1,000 children, and it is proposed to start a school system of five years providing for every child, and that each passes from one grade to another. In five years there will be 5,000 pupils in the schools and the same will be true five years later. Suppose a similar community B. In this, however, either the school plan is so defective or the teachers so inefficient or the pupils so stupid that each child requires two years in each grade. In that case at the end of five years there will be 5,000 pupils in the schools, but the oldest will be only half through, and at the end of ten years there will be 10,000 children in the schools. In other words, to give the same amount of education requires double the equipment and double the efforts in B. Or let us take another aspect. Suppose that after ten years there are in A, under the conditions named, 5,000 pupils and in B a like number. In such case B is educating only one-half of its children, or else giving them only one-half the education which is being given to the children in A.

The illustration has, I hope, made clear that for whatever cause children are delayed in the completion of their work by just so much does the school system lose from its maximum efficiency. The actual efficiency of the system can never be equal to its theoretical efficiency. There must always be some children who have not the same grasp as others. A certain percentage will fail to be promoted at the end of each year, and thus require more than the allotted number of years to complete their school work. The inquiry into the number of years in school has been made with a view to ascertaining whether in Porto Rico this percentage can be considered normal. The results of the inquiry are summarized in the following table:

TABLE H.—*Distribution of pupils enrolled March 2, 1906, by grades and number of years in school.*

GRADED SCHOOLS.

Grade.	Years in school.										
	1	2	3	4	5	6	7	8	9	10	Total.
First	4,163	3,676	1,110	216	37	3	.....	.....	.....	.....	9,205
Second	204	1,745	2,151	820	198	24	2	.....	.....	.....	5,145
Third	25	302	1,446	1,387	480	75	7	1	.....	.....	3,723
Fourth	11	50	341	965	698	220	54	9	.....	.....	2,348
Fifth	1	10	71	311	608	357	79	14	.....	.....	1,451
Sixth	.....	2	13	91	232	234	128	30	8	4	742
Seventh	.....	2	16	50	92	118	119	50	16	10	473
Eighth	3	4	2	25	46	68	91	69	10	7	325
Total	4,407	5,791	5,150	3,866	2,391	1,099	480	174	34	21	23,412

RURAL SCHOOLS.

First	8,854	5,076	1,714	436	92	21	.....	.....	.....	.....	16,193
Second	231	2,199	2,279	1,050	324	84	24	2	.....	.....	6,193
Third	15	189	1,113	1,018	433	150	40	3	.....	.....	2,961
Total	9,100	7,464	5,106	2,504	849	255	64	5	.....	.....	25,347

Examining the figures for the graded schools, the table seems to show some extraordinary things. It is possible that 3 children in the first grade should have been as many as six years in school, but how is it credible that 3 children in the eighth grade should have been only one year in school? Evidently we have here an inaccuracy. These last are reported incorrectly. Omitting those extreme cases, we find that some children pass as many as five years in the first grade, and that in every grade there are children who take more than the allotted time. As the grades advance this number diminishes proportionately and another class comes into prominence, those who finish their work in a period shorter than the allotted time. In a previous section we discussed the question, why do the numbers in the grades dwindle so rapidly? This table enables us to make an approximate test of the accuracy of our conclusions. In this table 4,407 persons, or about 18 per cent, are beginning school work. Let us trace, if possible, the beginners of five years ago. In 1901–2 there was an average enrollment of 39,504. Graded schools are not separated from rural schools, but judging by the number of each it is probable that there were about 17,000 children in the graded schools, and of these about 3,500 were beginners. Now let us look for these 3,500 in our table and we shall find them among those who have been five years in school.

It was pointed out that the fifth grade of 1906 was composed in large part of survivors of the first grade of 1902, and the latter was smaller than the first grade of 1906. It is probable that it numbered about 7,000 persons, of whom, as already stated, some 3,500 were beginners.

It was also stated that children dropped out of school earlier than in the United States. Of the 3,500 beginners five years ago our table records only 2,391 as now present in the schools. In other words, there has been a loss of nearly one-third of these children.

Finally, it was stated that children advanced in their studies less rapidly than in the United States. Our table shows as follows:

	Number.	Per cent.
Have not reached fifth grade, slow advance	1,413	40.37
Have reached fifth grade, regular advance	608	17.37
Have passed fifth grade, rapid advance	370	10.57
Have dropped from school	1,109	31.69
Total	3,500	100.00

This single illustration in amplification of an earlier argument brings out with remarkable clearness the characteristic fact of this table, namely, an undue length of time spent in the grades.

The foregoing is subject to some modification resulting from the incompleteness of statistical measurement. In our table we have not dealt and can not deal with fractions of years. This may affect materially our figures for the first grade. When we say that there were 3,676 children in their second year it is not equivalent to saying that in June, 1906, 3,676 children would have completed two years' work. Admission to school after the year opens is very frequent in the first grade, and there is no doubt that a considerable number of children complete only a year and a half of work or even less. While we can not measure this exactly, we should never lose sight of the fact in considering these tables.

A short expression of the delay in passing through the grades may be obtained by comparing normal progress with actual progress. Normal progress means taking one year of schooling to each grade. But as the children who enter the first grade late can not be expected to pass in the first year, we may also compare figures taking two years for the first grade and one for each succeeding grade. The true measure probably lies between the two and both are presented in the following table:

TABLE I.—*Distribution of pupils enrolled March 2, 1906, in each grade, according to the number of years spent in reaching it.*

Grade.	One year in each grade.						
	Under normal.	Normal.	Above normal.	Total.	Under normal.	Normal.	Above normal.
Graded schools:					*Per cent.*	*Per cent.*	*Per cent.*
First	.....	4,163	5,042	9,205	.....	45.2	54.8
Second	204	1,745	3,196	5,145	3.9	33.9	62.2
Third	327	1,446	1,950	3,723	8.8	38.8	52.4
Fourth	402	965	981	2,348	17.1	41.1	41.8
Fifth	393	608	450	1,451	27.1	41.9	31.0
Sixth	338	234	170	742	45.5	31.5	23.0
Seventh	278	119	76	473	58.8	25.2	16.0
Eighth	239	69	17	325	73.5	21.2	5.3
Rural schools:							
First	.....	8,854	7,339	16,193	.....	54.7	45.3
Second	231	2,199	3,763	6,193	3.7	35.5	60.8
Third	204	1,113	1,644	2,961	6.9	37.6	55.5

TABLE I.—*Distribution of pupils enrolled March 2, 1906, in each grade, according to the number of years spent in reaching it*—Continued.

Grade.	One or two years to first grade and one year to the others.						
	Under normal.	Normal.	Above normal.	Total.	Under normal.	Normal.	Above normal.
Graded schools:					*Per cent.*	*Per cent.*	*Per cent.*
First	.....	7,839	1,366	9,205	.....	85.2	14.8
Second	204	3,896	1,045	5,145	3.9	75.8	20.3
Third	327	2,833	563	3,723	8.8	76.1	15.1
Fourth	402	1,663	283	2,348	17.1	70.8	12.1
Fifth	393	965	93	1,451	27.1	66.5	6.4
Sixth	338	362	42	742	45.5	48.8	5.7
Seventh	278	169	26	473	58.8	35.7	5.5
Eighth	239	79	7	325	73.5	24.3	2.2
Rural schools:							
First	.....	13,930	2,263	16,193	.....	86.0	14.0
Second	231	4,478	1,484	6,193	3.7	72.3	24.0
Third	204	2,131	626	2,961	6.8	72.0	21.2

By both of these methods of considering a subject we see a considerable proportion of children who have been unduly long in the first grade and a still larger proportion in the second grade. After this the proportion diminishes until, in the eighth grade, it is almost a negligible quantity. On the other hand, there is in the second grade a small proportion who reach that point in the first year and in each of the succeeding grades an increased proportion of children who have passed up more rapidly than the programme calls for. In the eighth grade these constitute nearly three-fourths of the pupils. This is a remarkably clear presentation in figures of the principle of the survival of the fittest.

Turning our attention briefly to the figures for rural schools, we see here a preponderance of pupils in the first year due to the efforts to keep up attendance and enrollment. Here, also, the percentage of backward pupils is large, probably too large. Thus, to go into details, we see that of 2,504 pupils in their fourth year of schooling only 1,018 had attained the third grade and 1,486 were still in the first and second grades.

PROMOTIONS.

The results of the school work are reflected in the number of promotions. Such promotions occur normally at the end of the school year, but there are also promotions more or less occasional during the year. A system which includes the latter within its purview must, of necessity, compare promotions with the average enrollment of the schools. But where, as in the present instance, promotions at the end of the year only are reported, the proper comparison is with the number of pupils enrolled at the same period. The rules of the department prescribe examinations for eighth-grade pupils in June, and at no other time can there be any granting of diplomas in this grade which is equivalent to the promotions of the lower grades as a certificate of work completed. In the lower grades the matter of promotions is in the hands of the superintendents of schools. They can and do promote specially qualified pupils during the school year, but in genral, promotions are confined to the end of the year. In a few districts where promotions are more frequent than in others reports for annual promotions would appear less favorable.

No correct interpretation of a high or low percentage of promotions in any given case can be made without a full knowledge of local conditions. In general a low percentage of promotions may be due to one or more of the following causes:

(*a*) *Defective grading.*—If the grading in a system of schools is poor, if children are advanced or retained in the same class in an unsystematic and haphazard fashion, the class will be heterogeneous in its composition. Teaching will be more difficult and the percentage of successful pupils less than where pupils are more evenly prepared for the work they undertake.

(*b*) *Different courses of study.*—The amount of work to be covered in the course of the year as fixed in the course of study for the schools must be nicely adjusted in each grade to the age and capacity of the pupils. If this adjustment is lacking and a given grade is overburdened with work, the result is disastrous. Fewer pupils pass to the next higher grade. Such a state of affairs works to the detriment of the school system by increasing the number of unsuccessful pupils. The latter are the first to leave the schools, and after a certain age is reached it is almost impossible to keep them in the schools.

(*c*) *Stupidity of pupils.*—Any group of children in a school will show a general average of brightness, interest and application; but there will always be some who are backward, listless, and indifferent. Should this class assume a relatively large proportion in the group, the proportion of promotions is likely to be small.

(*d*) *Inefficiency of teachers.*—How much the intelligence and capacity of the teacher has to do with the success of the pupils is too well known to be commented upon at length. It is an almost obvious conclusion that, other things being equal, Miss A, who in one third grade has 80 per cent of her children promoted, is a better teacher than Miss B, who in another third grade has only 60 per cent of her children promoted; but obviously the judgment should not be pronounced until it is perfectly certain that other things are equal—that the pupils are equally intelligent.

So many causes concur in promoting a low percentage of promotions in one case and, conservatively, a high percentage in another, that it would be hazardous to attribute it to any one cause. The analysis is not so important in tracing definitely the cause as it is in suggesting various remedies, all of which must be applied concurrently if we are to secure the best results. The analysis of the figures for promotions was not carried further than the grades, with the distinction in each of the pupils who had been only one year in the grade and those who had spent two or more years. The results are given herewith.

TABLE J.—*Promotions of pupils, June, 1906.*

GRADED SCHOOLS.

Grade.	Pupils one year in the grade.			Pupils two or more years in grade.			All pupils.		
	Number.	Promoted.	Per cent promoted.	Number.	Promoted.	Per cent promoted.	Number.	Promoted.	Per cent promoted.
First	4,929	1,729	35	4,163	2,358	57	9,092	4,087	45
Second	3,171	1,635	52	1,606	1,165	73	4,777	2,800	59
Third	2,657	1,579	59	738	523	71	3,395	2,102	62
Fourth	1,668	956	57	453	355	78	2,121	1,311	62
Fifth	1,215	748	61	175	116	66	1,390	864	62
Sixth	618	434	70	109	65	60	727	499	69
Seventh	366	263	72	80	64	80	446	327	73
Eighth	237	122	51	64	34	53	301	156	52
Total	14,861	7,466	40	7,388	4,680	63	22,249	12,146	54

RURAL SCHOOLS.

First	10,726	2,369	22	5,319	2,951	55	16,045	5,320	33
Second	3,047	1,515	50	2,855	1,781	62	5,902	3,296	56
Third	1,431	770	54	1,485	829	56	2,916	1,599	55
Fourth	28	3	11	49	30	61	77	33	43
Total	15,232	4,657	31	9,708	5,591	58	24,940	10,248	41

It appears from these figures that at the end of the year there were 22,249 pupils in the graded schools of Porto Rico, and that 12,146, or 54 per cent, of them were advanced to the next higher grade. The proportion is astonishingly low if we state it in the form that little more than half the pupils of the schools were successful in their studies. In the first grade the proportion is less, only 45 per cent, but in the second grade it rises above the average to 59 per cent, and subsequently continues at about this figure until the sixth and seventh grades. In the latter the percentage is 73, but this falls in the eighth grade to 52. From these figures it is clear that the department of education, which conducts the eighth-grade examination, is more severe in its standards than the superintendents who are intrusted with the promotions in the lower grades. It would follow either that the tests of the eighth grade are too severe or those of the seventh are too lax. We have already seen in our discussion of ages and of the number of years in school how there is a gradual selection of pupils so that those who remain at the end of the course represent more uniform ages, more uniform duration of studies, and probably a higher average of intelligence than those at the beginning. This seems to be reflected also in the more favorable promotion percentages in the sixth and seventh grades. But, as already pointed out, there is a marked break between the seventh and the eighth grades, which calls attention to the necessity of a better adjustment. The number of pupils of the eighth grade is in some districts very small. Of the 19 districts, 11 only had as many as a dozen pupils in the eighth grade. Three only—San Juan, Ponce, and Bayamon—were exceptions to the rule that eighth-grade promotions were less numerous than seventh-grade promotions.

Mention has already been made of the low percentage of promotions in the first grade. In view of the fact that this grade is constantly being recruited by new accessions, this was to be expected.

No test of the work in the grade could be obtained without separating pupils in the first year from those in the second and later years of schooling. Among the latter the percentage of promotion is 57, and among the former only 35. If we follow the same plan for the other grades we find that in each the proportion of promotions is greater among those who have spent more than a year in the grade.

Taken as a whole, the number of promotions is distressingly low. While some pupils must, of course, fail in their work, a proportion of failures of nearly one-half is alarming. No rule can be given as to what constitutes a reasonable amount of failure, but it is generally conceded that it should not exceed 20 per cent. Thus, in the public schools of Chicago, in 1905, the successful pupils were 81.3 per cent of the average enrollment in the first four grades, and 84.9 per cent in the upper grades.

In the rural schools the progress of the pupils has been even slower. In the first grade only 33 per cent of the pupils were promoted. We should expect here a lower number of beginners. But in the second and third grades, with 56 and 55 per cent of promotions, respectively, the rate of progress is less than in the corresponding grades of the graded schools.

The situation in our schools calls loudly for a remedy, if one can be found. It shows how much work is still necessary to bring our schools to the highest standard of efficiency. None but the highest standards is admissible. In a given number of years efficient schools will do as large a work in disseminating education as a much larger number of inefficient schools. If pupils pass through the schools with only half the rapidity which has been computed, the schools can do only half the work contemplated. The next problem in the common schools of Porto Rico is to increase the rapidity with which the bulk of the children complete their courses, and thus increase the number who can receive an education within a given period of time.

AGRICULTURAL SCHOOLS.

A type of school closely approximating the ordinary rural school is the agricultural-rural school, of which there are at the present time 11 in the island, though formerly there were 19. The schools were planned to combine instruction in agriculture with the ordinary instuction given in the rural schools. Each school was surrounded by at least an acre of land and oftentimes more, tools were provided, and the schools placed in charge of teachers of the graded rank who had taken some special courses in agriculture at a summer normal school to qualify them as teachers of agriculture. The daily programme included one or two hours of field work under the supervision of the teacher, with explanations of the processes involved.

It has already been noted in these reports that the schools have been only an indifferent success. This has been due to a variety of causes, some local and others general. The principal local causes of failure have been in some cases an unfortunate selection of sites for the schools and in others an unfortunate selection of teachers. But there has been another and more general cause of ill success in the difficulty of sufficiently differentiating these schools from other rural schools. They have been under the necessity of supplying the school needs of their neighborhood. Hence they have admitted many

little children, who, by reason of age and physical development, are utterly unfitted for any agricultural labor. In short, the characteristic features of the rural school have crowded out or reduced to trifling importance the special features of agricultural education for which the schools were established. Various combinations of adverse circumstances have led to the abandonment of the schools in several localities, and where they have been continued under more favorable conditions the results have not been those hoped for. As favorable results as anywhere have been obtained in the schools of Sabana Grande, Lajas, and Cabo Rojo. In these schools a rural teacher is in charge, and a special agricultural teacher passes during the week from one school to another, devoting all his time to the teaching of agriculture. During the coming year a similar system will be tried in the town of Utuado.

As before stated, these schools approximate very closely the rural schools in their structure and organization. The average enrollment for the year was 49.15 pupils per school and the percentage of attendance 88.97. The school at Bayamon was conducted with a double enrollment—a form of organization which is very questionable if any real work is to be done in agriculture. Despite this apparent handicap it must be acknowledged that good results were obtained.

Examining further census results, we find the following distribution of the sexes:

	Males.	Females.	Total.
First grade	248	98	342
Second grade	135	65	200
Third grade	46	23	69
Total	429	182	611

The preponderance of the male sex is greater than in the ordinary rural school, the result doubtless of the special agricultural instruction. In the latter the girls can, of course, take only a minor part—in the care of flower gardens.

On the other hand the age distribution of the pupils does not show any marked variation from the type familiar in the rural schools. The following figures, giving the number of pupils at each age, show the same concentration in the ages 9 to 12 and the rapid falling off after that date:

Age.	Pupils.	Age.	Pupils.	Age.	Pupils.
5 years	7	10 years	111	15 years	9
6 years	25	11 years	78	16 years	8
7 years	63	12 years	94		
8 years	66	13 years	45	Total	611
9 years	79	14 years	26		

The relatively small number of children in the third grade, where, if anywhere, it would be assumed that the agricultural instruction would be profitable, does not indicate that it offers an attraction sufficient to retain in school any considerable number of pupils.

The latter conclusion would seem to be slightly modified by a consideration of the number of years in school. It appears that of 611 pupils, 155 are in the first year, 214 in the second, 164 in the third, and 78 in later years of school life. It will be remembered that in the rural schools generally the first year of school life was most prominent; here, the second. If these schools retain for a second and third year a larger proportion of pupils than the rural schools generally, it is likely that this is due quite as much to the general attractiveness of the school surroundings as to any special attractiveness of the instruction in agriculture.

Our account of the agricultural instruction in the island would be incomplete without a reference to the school of practical agriculture established at Rio Piedras by the trustees of the University of Porto Rico. Unlike the other schools of the island supported by public authority, this is a boarding school. Twenty-eight boys are selected from various points of the island and are given here free board and tuition. The standard of admission is based upon the completion of the third grade of the common schools, in order that boys whose only training has been in the rural schools may not be excluded. At the same time robust physique is an essential, as the work is hard. In exchange for their board and tuition the boys are required to work daily five hours in the field. They work under the supervision of competent instructors, who give practical instruction as the work progresses. The farm comprises about 100 acres, of which about 20 acres are under cultivation, mostly in pineapples, and a large part is in pasture land. Pineapples and dairying are the principal productive industries followed. Other crops are grown for food, and oranges and sugar cane are grown in small quantities to illustrate methods of cultivation. When the school opened in January, 1905, a few acres only were under cultivation. The cultivated area has been extended, roads constructed, land cleared, and farm buildings erected largely by the labors of the boys, aided by hired workmen for the heaviest work.

In the afternoons field labor gives place to class-room instruction. Theoretical agriculture in its elements, English, arithmetic, and Spanish are the principal studies pursued. Boys who work during their free hours receive a compensation for their labors, and thus make their pocket money. The school furnishes their working clothes and their shoes. In a general way the methods of the Tuskegee Institute are followed in the work of the school.

The school has been in operation since January, 1905. The visible results in the improved condition of the farm are very marked. The pupils have also made good progress, and some who, though not graduates—the school has been in operation too brief a time to have graduates—have been unable to return to the school have already obtained good positions.

INDUSTRIAL SCHOOLS.

Industrial schools were originally established in 1903 in the cities of San Juan, Ponce, and Mayaguez, and later other schools were opened in Arecibo and Guayama. The schools were designed to meet a real need for a thorough technical training of a more elementary sort, which is obviously lacking in Porto Rico. For the

administration of these schools there was appointed a supervising principal who had had considerable experience in manual training schools in the United States.

Very soon there appeared in the conduct of the schools and in the public opinion concerning them a more or less sharp distinction between the theory of manual training and the theory of industrial training. Certain elements were strenuously opposed to the idea of manual training, not so much in principle as because in their opinion manual training was a luxury which the people of Porto Rico could not afford. Opposition to the industrial schools I found to be very great when I reached the island in 1904, but the work of the year had already been started and new plans could not be put into force. The best that could be done was to study the situation. In the meantime, the opposition to the industrial schools seemed to grow in strength, and a considerable effort was made in the legislature of 1905 to abolish those schools. The result of the discussion was a compromise by which the schools at San Juan, Ponce, and Mayaguez were maintained, but those of Arecibo and Guayama abandoned. The principal defect, if the current criticism was correct, was that the schools were not practical.

In the school year 1905–6 a number of important changes were made in the conduct of these schools. The position of supervising principal was abolished and heads of the three schools entered into closer and more intimate relations with the department. Grading in academic work was made entirely distinct from grading in the shop work. For one group of pupils all shop work was done in the morning, for another in the afternoon, the remaining time being given to academic work. Thus all teachers were constantly employed, and the capacity of the school increased by increasing the number of pupils per teacher. Every effort was made, within the limits of the available equipment, to give the schools a practical character. So far as possible actual objects were substituted for mere models, and children were taught to make definite things, actual dresses rather than dolls' dresses, and real furniture instead of toy chairs and tables. Of course the fact of such changes is only obvious to the close observer, and the casual visitor would not see very much difference. Preliminary operations, whether the ideal is manual training or whether the ideal is industrial training, are of necessity very much alike.

Notwithstanding these changes, it appeared that public opinion was dissatisfied with the work of these schools, and in the legislature of 1906 appropriation for these schools were stricken out of the budget by the house of delegates, which in the meantime had passed a law abolishing these schools, but merging their material and equipment with that of the boys' and girls' charity schools into a new organization, to be known as a school of arts and trades. This measure did not reach the executive council until the day before the session closed. The executive council therefore did not have time to consider it.

An analysis of this measure at this point would be unnecessary. So far as it relates to the institutions known as the boys' and girls' charity schools it has no bearing on the present situation. Schools of arts and trades desired by the house of delegates were to be built

upon the industrial schools. While time was not available for working out the plan of these schools and for a thorough discussion of the bill which passed the house of delegates, the latter body was unwilling to make the appropriations for the industrial schools in exactly the form in which such institutions had previously existed. It therefore provided the appropriation of a round sum for the purpose of schools of arts and trades, leaving the nature and organization of such schools to be determined by a commission.

The work which that commission has before it would seem to be to settle the scope of these schools, to see that instruction in them is upon a thoroughly practical basis, determine the degree of maturity and general education which shall be required of pupils to enter into these schools, the amount of general training which should accompany specific industrial training, and the different kinds of industrial training which may be properly introduced, and similar questions. While it seems to be clear that the industrial schools should lean toward the trade school rather than to the manual training school the important question is, How can this be effected with the appropriations which the government can afford to make for such purposes? The future of these schools therefore rests for the present with the commission above referred to.

Turning now to the work accomplished in the past year, it is gratifying to note that the three scools in operation had a total enrollment of 619 pupils, as compared with 590 for five schools in the previous year. Moreover, the excellent work done in the three schools during the past year is reflected in the figures for the average enrollment, which are as follows:

	1905–6 (3 schools).	1904–5 (5 schools).
Average enrollment:		
First term	521.63	590.95
Second term	528.76	559.68
Third term	509.36	470.96
Year	521.36	539.24

It will be noted that there was an increase in 1905–6 between the first and second terms, and that the falling off in the third term was comparatively slight. On the other hand, in 1904–5 there was a constant falling off throughout the year, though the great fall in the third term was due to the prospective closing of the schools in Arecibo and Guayama. But on the other hand, the three schools not affected by this change fell off from an enrollment of 373.60 in the first term to 298.77 in the third.

The attendance throughout the year has been fairly satisfactory, an average of 90.26 per cent being attained, a figure which has varied very little from one term to another.

The enumeration of pupils in March, 1906, showed:

	Boys.	Girls.	Total.
San Juan	70	77	147
Ponce	134	120	254
Mayaguez	51	69	120
Total	255	266	521

It will be observed here, as in the upper grades of the graded schools, there is a tendency toward equality in the number of the sexes. The distinctively feminine occupations, such as sewing, embroidery, and millinery, pursued in the schools would seem to have equal attractive force with the carpentry, leather work, and metal work offered to the boys.

The ages reported are as follows:

Age.	San Juan	Ponce.	Mayaguez.	Total.
9 years	.....	1	1	2
10 years	5	5	4	14
11 years	14	15	9	38
12 years	24	28	19	71
13 years	35	63	20	118
14 years	27	81	30	138
15 years	20	41	20	81
16 years	16	16	8	40
17 years	2	3	6	11
18 years	1	.....	2	3
Over 18 years	3	1	2	5
Total	147	254	120	521

The children of these schools are older than the average of the common schools corresponding to the pupils of the upper grades in the graded schools.

As the industrial schools occupy a peculiar place in the school system, and have their own system of grading, an analysis by classes would afford no comparisons with the facts already ascertained. A further analysis of the census results may therefore be omitted.

HIGH SCHOOLS.

High schools have been in operation in the cities of San Juan, Ponce, and Mayaguez. In the last named, however, there was no fourth-year class. The school at Ponce graduated in June, 1906, its first class upon the termination of the four-year course.

The school at San Juan is located in the old San Francisco barracks, which in the summer of 1905 were largely reconstructed to adapt them for school purposes. At Ponce a handsome new building for the high and grammar schools was completed in September, 1905. The school at Mayaguez is located in the Farragut School erected by the department, but the quarters allotted to the high school proper have been somewhat cramped and inconvenient.

In view of the comparatively recent introduction on the island of the American school system, the number of children annually prepared for high school work has been small and the schools have been conducted on a very modest basis. The following figures are indicative:

	Number of teachers.	Total enrollment.	Average enrollment.	Average attendance.	Attendance.
					Per cent.
San Juan	7	64	56.56	54.30	96.00
Ponce	3	49	42.62	41.05	96.32
Mayaguez	3	31	24.72	23.62	95.55
Island	13	144	123.90	118.97	96.02

In stating the number of teachers no account has been taken of the principal of the school, who is also to some extent engaged in the work of instruction. The figures show relatively a considerable falling off in the number of pupils, as those lost can not be replaced. They show also very satisfactory attendance conditions, which compare very favorably with the high schools in the United States.

The enumeration of pupils made March 2, 1906, showed the following pupils in the high schools:

	Boys.	Girls.	Total.
San Juan	45	11	56
Ponce	25	18	43
Mayaguez	13	12	25
Island	83	41	124

It will be noted that the number of boys is greatly in excess of the girls, a relation exactly opposite what is found in the United States. The high school is not in Porto Rico, as it is in many of the States, a preparation for the normal school, and the girls who desire to become teachers are not attracted to it.

The enumeration also showed the ages of the pupils as follows:

	Age.								Total.
	12 years.	13 years.	14 years.	15 years.	16 years.	17 years.	18 years.	Over 18 years.	
San Juan	.....	.....	3	9	17	12	10	5	56
Ponce	1	.....	5	6	11	6	10	4	43
Mayaguez	.....	1	2	6	9	6	1	.....	25
Total	1	1	10	21	37	24	21	9	124

The students are slightly older than in corresponding schools in the United States.

The San Juan school graduated in June, 1906, a class of seven pupils. There is every reason to be well satisfied with the results obtained in these institutions. Pupils pass readily from them to the best American colleges, and many of the latter are willing to admit the pupils without examination. San Juan graduates are represented in Cornell, Princeton, Dickinson, and Rutgers, while Ponce graduates have entered at Cornell, Syracuse, and Pennsylvania. The department of education of the State of New York has recently placed the San Juan and Ponce high schools upon its list of approved schools, which entitles the graduates of such schools to enter without examination any college or university in the State of New York.

The year marked the establishment of two-year commercial courses in all the schools. They have proven very popular, absorbing a large proportion of the entering classes, and probably contributing to the fact that entering classes were somewhat larger than before.

Connected with each high school there are also lower grades under lished principally as feeders to the high schools and to insure a proper the general supervision of the principal. These grades were estab- preparation for the high school work. In San Juan and Ponce they were organized in 1905–6 as grammar schools, taking in all the upper

grades of the city. In Mayaguez they are organized simply as a graded school embracing all the grades. In former years these graded schools attached to high schools were distinguished from the other common schools in that instruction in them was given in English. With the spread of English as the language of instruction, this distinction has passed away. All the facts relative to the grades have been included in one treatment of the common schools. They are mentioned here as a part of the organization of the high schools.

THE INSULAR NORMAL SCHOOL.

The insular normal school at Rio Piedras administered by the trustees of the University of Porto Rico is an integral part of the public school system. It receives as students graduates of the eighth grade of the public schools of Porto Rico and offers them a two-year and a four-year course in normal training. The subjects taught in the common schools are reviewed and presented from the teachers' standpoint, advanced studies are undertaken, and opportunity for practice teaching under supervision and criticism is given in the graded school connected with the institution. At the end of two years pupils receive an elementary certificate. This entitles them to a license to teach in the graded schools of Porto Rico if they have the requisite age. If not, they receive a rural license, subsequently changed for a graded license when the legal age is attained. Many of the pupils, however, continue with the school in order to obtain its diploma, which is issued at the end of four years' study. Persons holding this diploma are entitled, after one year's teaching in the public schools and on attaining the age fixed by law, to receive a principal's license.

The pupils of the school are drawn from all parts of the island. In order not to exclude from the school deserving persons, who are without the means to follow a course of study away from home, the government provides 28 scholarships, which, in accordance with law, are allotted to different parts of the island. In addition to the scholarship pupils many others come from distant points, and there are numerous instances of families moving to Rio Piedras in order to educate their children in this school.

During the year 1905–6 there were 130 different pupils enrolled in the school.

When the pupils of the schools were counted, this school had 115 pupils, of which 51 were boys and 64 were girls. Their ages were as follows:

Year.	Age.						Total.
	14 years.	15 years.	16 years.	17 years.	18 years.	Over 18 years.	
First	2	12	9	12	9	9	53
Second			5	9	5	7	26
Third		1	1	10	7	5	24
Fourth				3	2	7	12
School	2	13	15	34	23	28	115

The table shows a normal age distribution with pupils sufficiently mature as a rule for the studies in which they are engaged. It

shows some irregularity in the numbers in each class, especially in the second year, due to a comparatively small entrance class in the previous year.

In connection with the normal school there is maintained a graded school in which the eight grades of the common school system are divided among six teachers. The school is of much importance to the town of Rio Piedras, giving its citizens the opportunity to receive the most thorough type of instruction. At the same time it gives the pupils of the normal school the opportunity of practical teaching under competent supervision. The statistics of this practice school have already been included in the treatment of the common schools. It is mentioned here as a part of the normal school system.

NIGHT SCHOOLS.

In the principal towns of the island there are one or more night schools, in which are taught reading, writing, and elementary arithmetic. These schools are intrusted to the care of one of the teachers in the day schools, who receives an extra compensation for this additional service. In a very few cases night schools have been established in the rural regions, but except in well-populated villages or hamlets, there is little opportunity for such rural night schools.

In the contemplation of the school law these night schools are not intended primarily for adults. Their purpose is to reach the class of working boys and girls whose education has been neglected, and only in case such young persons are not sufficiently numerous to fill the rooms is the admission of adults permitted.

As the night school can be conducted at a comparatively small expense, it has been the policy of the department to favor them. Wherever the experiment seemed to offer reasonable prospect of success the opening of such schools was permitted. Accordingly the number of schools opened during the year, 80, is considerably in excess of the number in operation in the previous year, 37.

Of all the schools in the system the night schools are the most variable. They depend for their existence and their attendance almost wholly upon the interest of the pupils. Moreover, the pupils are of an age liable to be drawn away by the desire for amusement. Good resolutions to attend night school are frequently not enduring, and schools once opened are closed for lack of pupils. In December, 1905, there were 63 schools open; in March, 1906, 73, and the same number in May.

The aggregate enrollment in the night schools for the year 1905–6 was 7,058 persons, but the personnel of the schools was constantly changing. On March 2, 1906, when the census was taken, the number of pupils enrolled was 2.846. As we have already seen, the record of that date for the common schools was a very fair approximation to average conditions. We have no reason to assume it otherwise in the case of night schools, and we may, therefore, conclude that about 3,000 pupils were enrolled at any one time. To illustrate the fluctuating character of the school population it is sufficient to say that if every pupil enrolled had stayed the same length of time the schooling per pupil would have been of four months' duration instead of nine. Of course there were some of the pupils who continued faithful to their work throughout the year; and hence the number whose con-

nection with the school was less than four months in length must have been very great.

The enrollment per school is inferior to that of the common schools. In the average of the year it was 38.20. In the first term it was 40.97, in the second 38.42, and in the third 35.05, showing with unmistakable clearness the gradual decline in interest which is inseparable from schools of this class. Not only is the general average per school lower than in the common schools, but the range of variation is much greater. The maximum of 57.95 is found in Sabana Grande, the minimum of 23.94 in Comerio. The district maximum and minimum are found in the corresponding districts of Yauco and Aibonito. Local conditions seem to have a greater influence in determining a large or small enrollment than in the case of the common schools.

As the enrollment in these schools is fluctuating, so the attendance is liable to be fitful and irregular. Throughout the year the percentage of attendance was only 81.44. It improved somewhat during the year, passing from 74.66 in the first term to 77.17 in the second and 81.80 in the third, indicating, probably, the greater regularity in attendance of those pupils who persisted in their studies throughout the year. The variation in the different towns is very considerable, the best attendance being obtained in Sabana Grande, 95.14 per cent, and the worst is Fajardo, 65.37. It is noteworthy that Comerio, already noted for a low enrollment, had the high attendance of 93.07 per cent, following immediately after Sabana Grande in this respect. The best showing by districts was made in Aibonito (89.62 per cent), closely followed by Ponce (88.98 per cent), while the poorest showing was made in Bayamon (68.74 per cent).

The pupils in the night school are preponderantly males. Of 2,846 pupils recorded at the census of March 2, 1906, only 508 were females.

The ages of the pupils in these schools is given in the following table:

TABLE K.—*Distribution of pupils in night schools by grades, ages, and sex.*

Ages.	Grades.				
	First.	Second.	Third.	Fourth.	All.
6 years	3				3
7 years	9		2		11
8 years	28		1		29
9 years	43	2			45
10 years	111	6	3		120
11 years	90	10	3		103
12 years	241	47	5		293
13 years	157	31	10		198
14 years	205	71	23		299
15 years	239	59	27	10	335
16 years	167	63	19	1	250
17 years	153	65	16	4	238
18 years	185	76	14	3	278
Over 18 years	457	165	20	2	644
Total	2,088	595	143	20	2,846
Males	1,709	491	118	20	2,338
Females	379	104	25		508

If we consider those older than 18 years as adults for all practical purposes, we observe that only 644, or a little more than 22 per cent, of the pupils come in this class. Of the remaining pupils, 1,081, or

very nearly one-half, are in the ages 15 to 18, inclusive, and the remainder are under 15. The presence of 1,121 children under 15 years of age in the night indicates their peculiar character. It also suggests the difficulties which must be encountered in teaching classes made up of pupils of such diverse ages.

As in comparatively few points are there more than one night school, they partake in general of the same nature as the rural schools where a teacher is engaged in teaching two or three grades at the same time. Grading in these night schools follows the rural schools. While a very few pupils have reached the attainments of the fourth grade, most of the pupils are in the first three grades. However, the proportion of pupils in the first grade is very much larger than in the rural schools.

The facts above set forth and the further considerations that 1,910 pupils were in their first year of schooling, 641 in the second, and only 285 had been in school more than two years, indicate the very slight persistence of these pupils in their school work.

It must be confessed that the record made by these schools is thoroughly dispiriting. It is clear that pupils pass in and out with such rapidity that the greater part of the teacher's energy is wasted. On the other hand, the statistics do not show the number of pupils who continue their work throughout the year. Until such information is obtained a final judgment upon the value of the schools must be reserved.

PRIVATE SCHOOLS.

In order that our view of the educational work of the island might be complete, the cooperation of the private educational institutions was sought. Through the courtesy of their proprietors, which is most gratefully acknowledged, we are able to present a few important facts in regard to private schools. A very thorough canvass of the island was made, and it is believed that the results are substantially correct. There were 93 separate institutions reported, of which two-thirds, 62, were single schools in charge of a single teacher. On the other hand, the number of schools, using that term to mean as in the statistics of public schools, the class group was 167. The number of teachers reported was 202, and the number of pupils enrolled 4,316. The number of pupils per school was 26; the number of pupils per teacher, 21. Both of these figures are much smaller than those for the public schools. The private schools deal with much smaller groups. The private schools reported also, in the week ending March 2, 1906, an average attendance of 3,509.33, or about 81 per cent. This proportion is much less than in the graded public schools and would indicate either that attendance is less regular or that less care is taken in removing from the enrollment pupils who have ceased to effectively belong to the schools.

SUMMARY.

To complete the picture of the educational work in Porto Rico which it has been our endeavor to give, a summary relating to all the schools is necessary. The following figures bring together the notices

scattered through this report in regard to each type of school on the date March 2, 1906:

Type of school.	Number.	Pupils enrolled.
Graded	518	23,412
Rural	498	25,347
Common	1,016	48,759
Agricultural rural	12	611
School of practical agriculture	1	23
Industrial	3	521
High	3	124
Normal	1	115
Total public day schools	1,036	50,153
Night schools	73	2,338
Total public schools	1,109	52,491
Private schools	167	4,316
Total schools	1,276	56,807

CONCLUSION.

In the course of this report it has been necessary, in order to present a complete record of the educational work of the island, to present many subjects from a rather technical point of view. It may be that at times the exact purpose of the statements made is only evident to a person well versed in school matters. And yet despite some aridity in detail it is believed that all who consider the record will discover in it the most encouraging signs of progress.

The main points which can not escape observation are—

1. An improved office organization.
2. Better knowledge of school conditions.
3. Better supervision by the superintendents and better supervision of the superintendents.
4. Improved school buildings.
5. More efficient local administration of schools.
6. The gradual spread of English as a medium of instruction.
7. Increased utilization of school facilities as in the increased number of pupils per teacher.
8. Increase in the enrollment of pupils.
9. Great stability in attendance.
10. Increase in the number of pupils in secondary schools.

That this progress could be made is due to the loyal service of all concerned in the work of school administration, office force, superintendents, and teachers. It is due to the cordial cooperation which has existed between this office and all other executive departments. And lastly it is due to the profound interest which the people of Porto Rico take in educational matters, and to the warm support which they have given to the efforts of the authorities in behalf of the progress of the schools.

I have the honor to be, very respectfully,

ROLAND P. FALKNER,
Commissioner of Education.

The GOVERNOR OF PORTO RICO,
San Juan, P. R.

Exhibit G.

REPORT OF DIRECTOR OF HEALTH, CHARITIES, AND CORRECTION.

Office of the Director of Health, Charities,
and Correction of Porto Rico,
San Juan, P. R., July 1, 1906.

Sir: I have the honor to submit the reports of the bureaus of health, charities, and prisons, which form the consolidated department, for the fiscal year ending June 30, 1906.

The conditions of the various bureaus of the department have continued to improve during the present year on a solid basis.

As you will observe in the report of the supervisor of charities, the blind asylum, located in the city of Ponce, was opened to the public on September 23, 1905, and without loss of time patients were admitted from all parts of the island, it being a satisfaction for me to state that the care of the experienced physician appointed to the asylum has been the means of restoring the sight of quite a number of patients. This institution is adequately managed in every respect and promises to progress rapidly, both with respect to an increase in the number of inmates and in the number of successful operations and cures.

In the insane asylum extensive repairs, which were sadly needed, have been made, and about $5,000 have been expended for that purpose to great advantage. To-day the inmates number 242, of which number 22 are pay patients and the rest paupers of both sexes, and by the end of the present month all the insane in the island will obtain shelter in the establishment, with the exception of about 16 paupers who will be housed shortly afterwards. The desired aim of the institution has not been fully accomplished, as about $3,000 are needed for sundry repairs which, when done, will place the institution in excellent condition. I refer for particulars to the able report of the superintendent of charities herewith attached.

The leper colony on Cabras Island, at the entrance of the port, continues to be kept in thorough condition. Some slight improvements have been introduced, costing about $900, but now a new burial ground is needed and this is a matter that will brook no delay. Twenty-five lepers of both sexes are now confined to the colony.

At the boys' charity school there are on an average 270 inmates between the ages of 6 and 16 years. On reaching the latter age they are obliged to leave the establishment. Considerable delay in this matter is often experienced, for either the parents of inmates who have reached the age of discharge are too poor to receive them or the boys are orphans and have no homes to return to. In such cases situations are procured for them when possible.

The girls charity school contains about 174 inmates between the ages of 6 and 16 years. On completing their seventeenth year the girls are obliged to leave the establishment. The same difficulties attend the discharge of the girls as those experienced with the boys and are overcome in a similar manner. Two thousand dollars, approximately, have been expended during the year in sundry repairs to the institution which, under the able management of its present superintendent, is one of the best conducted public establishments in the island.

CORRECTION.

The penitentiary, situated in the Marina district, is kept by its competent warden in excellent condition and is subject to thorough discipline. About 600 prisoners are confined in this institution, most of them for larceny. The building is inadequate for such a large number of prisoners, who are too much crowded. A new penitentiary, large enough to accommodate 1,000 prisoners at least, should be constructed with all modern improvements.

As the district jail of San Juan, which belonged to the municipality of this city, has been sold to a corporation, the building has to be vacated at once. This has necessitated the building of a second story on a portion of the penitentiary building, capable of accommodating about a third of the inmates of the jail, and the remaining two-thirds will be confined in the new jail at Arecibo until a new jail can be constructed at Puerta de Tierra.

Use of the old jail at Arecibo will shortly be discontinued and all the prisoners will be confined in the new jail, which is sufficiently ample to accommodate about 250 inmates.

The building used as a jail at Aguadilla is rented from the ayuntamiento, and does not quite cover the needs of a district jail, but there is no other of its size, or as well suited for the purpose in the town.

The jail building at Mayaguez is also rented from the ayuntamiento. It is large, but its space is improperly distributed and its drainage is very imperfect. The jail will, however, be shortly transferred to half of the lower floor of the former Spanish infantry barracks, which is quite an extensive building. The other half of the lower floor is occupied by the insular police station. The upper floor is occupied by the Federal, district, and other courts pertaining to that jurisdiction.

The Ponce district jail occupies the lower floor of the building formerly used as a Spanish infantry barracks. The structure is ample for the purposes of a jail and is in good condition. The establishment is well conducted and proper discipline maintained. There are at present 265 prisoners confined in the institution.

The Guayama jail is situated in the town of that name. The building is fairly large and fills the requirements of the institution, but many improvements are needed which would have to be borne by the insular government, as it was leased with that condition.

The Humacao jail is a building leased from the ayuntamiento, with the condition that required repairs must be made by the lessee. It lacks considerable repairs and the absence of an aqueduct in the town makes it difficult to maintain the proper hygienic conditions in the establishment. It is now occupied by 143 criminals.

The bureau of prisons, with its seven district jails and its penitentiary, has under its control from 1,800 to 1,930 prisoners. Of these a considerable number are employed all over the island in the construction and repair of public roads, as also in the improvement of streets in some of the towns, and the sanitation of same where such has been neglected by the respective ayuntamientos, due to the lack of funds. Thus, and by aiding public works, a large amount of money has been saved for the people of Porto Rico. (See Report of the supervisor of prisons.)

After considerable delay the city of Mayaguez has donated to the people of Porto Rico a tract of land of about 60 acres, situated at Point Guanajibo, about half an hour's drive from Mayaguez, for the purpose of establishing a correctional school. The location is a very good and healthy one, commanding a fine view of the Mona Channel, which separates this island from that of Santo Domingo. No building has as yet been erected on the spot, but a structure capable of accommodating about 100 boys to begin with will be built during the course of the new fiscal year.

HEALTH.

The bureau of health endeavors to its utmost to fulfill its duties, but it has a very hard task. The bureau has two able physicians as inspectors for the northern and southern districts of the island, and they are obliged to be constantly on the move in order to make the local health officers adhere to their duties and enforce necessary hygienic measures. Much is done by the bureau, but the desired standard has not yet been reached. An epidemic of measles broke out in the month of November. The disease was mostly confined to children all over the island, but the fatal cases were comparatively few in number.

A veterinary surgeon is attached to the bureau. His duty is to inspect cattle and horses throughout the island, but the task is by far too extensive to be thoroughly performed by one inspector, and at least four veterinarians are required for the work. However, in spite of these many difficulties, the country is healthy and the mortality has been much reduced. (See report of the supervisor of health.)

On the whole this department, though greatly handicapped with its reduced budget, which is hardly sufficient to meet its requirements, has done its best for the several branches under its control.

I have the honor to be, sir, very respectfully,

ANDRÉS CRÓSAS,
Director of Health, Charities, and Correction.

Hon. BEEKMAN WINTHROP,
Governor of Porto Rico, San Juan, P. R.

REPORT OF THE SUPERVISOR OF HEALTH.

OFFICE OF HEALTH, CHARITIES, AND CORRECTION,
SUPERVISOR OF HEALTH,
San Juan, P. R., July 1, 1906.

SIR: Following I have the honor to submit my report on health affairs in the island during the fiscal year that has just expired. This reports covers the period from July 1, 1905, to June 30, 1906.

OFFICE.

Much difficulty has been experienced in the transaction of business, due to the insufficiency of our office force. This is an evil from which this department has suffered since the bureaus of health, charities, and prisons were brought under one head on April 1, 1904.

As a result of imprudent economy many efficient employees were dismissed, salaries reduced, and the service so injured as to show that the greater part of the economy accruing from the decrease in the number of employees and the reduction in salaries was bad policy and further demonstrates the needs of the service, at least as far as clerical work was concerned, were not well understood. At a later date, on assuming control of this department, you expressed a desire to remedy this evil, and although you have done all in your power to relieve the situation, our budget has not been sufficiently increased to permit a decided change for the better. Until the legislature realizes that a sufficient and efficient force is essential to the proper management of this most important branch of the administration and a sufficient increase made in our budget for salaries, this department can never reach the standard formerly obtained by the bureaus of health and charities when separate organizations.

At present, in order to make up for the deficiency in our office force, we are obliged to confide important work that should be performed by experienced clerks to unsalaried apprentices, who, no matter how zealous, must necessarily commit errors that are, to say the least, embarrassing.

RULES AND REGULATIONS.

On April 29, 1902, a provisional code of sanitary rules and regulations was approved by the Hon. William H. Hunt, governor of Porto Rico. These regulations are still in force, but although they were at that time sufficiently ample they soon fell short of the constantly growing needs of this bureau. The law consolidating the offices of health, charities, and correction authorized the director to prepare and submit for the approval of the executive council a new code that would cover the needs of the bureau. Under the régime of the first director an attempt was made to secure new regulations, but none were obtained, and under the present régime, with the exception of the "food and drug" regulations, those governing the "construction of privies in rural districts" and the "storage and sale of explosives," which were approved by the executive council on April 17, September 12, and October 12, 1905, respectively, two distinct attempts to obtain sanitary legislation have completely failed.

In the month of July, 1905, it was brought to the notice of this bureau that hogs in various parts of the island were extensively diseased. The chemical microscopical examination of samples of pork showed the presence of trichina spiralis and cysticerci. The veterinary inspector and the director of the chemical laboratory were sent to Manati, the district reported to be most afflicted. After a careful inspection this was found to be the case, and the hogs in the municipality of Manati were quarantined. As the manner in which hogs are bred and reared here is exceedingly objectionable, the animals being generally fed on garbage and offal, which are germ producing, special regulations for the breeding, rearing, and slaughter of swine were prepared and submitted to the executive council. These regulations were approved on August 8, 1906, but no sooner was an effort made to enforce them than a general protest throughout the country was raised, in consequencee of which these regulations, so important and so necessary to insure the wholesomeness of pork, which is consumed in large quantities, were annulled by the executive council.

The milk regulations suffered a similar fate. They were approved by the executive council and when protested against repealed, and dealers now sell milk with a few restrictions as to milking, transportation, keeping, and sale. This is unfortunate, as milk is one of the greatest vehicles for transmitting disease germs.

A carefully prepared sanitary code, which was approved by the superior board of health after careful consideration, was submitted to the legislative assembly during its last regular session, in February, 1906, but no action whatever was taken in the matter; rather, on the contrary, municipal sanitary laws to an extent in conflict with the regulations that now govern this bureau were approved, thereby creating still greater difficulties for this office than it has hitherto had to contend with.

It is beyond doubt a fact that this bureau is greatly in need of sanitary legislation, and without it the proper sanitary standard can never be reached.

CONTAGIOUS DISEASES.

The only epidemic in Porto Rico this year has been that of measles, which reigned among children principally and was of little importance. There have been isolated cases of other contagious and infectious diseases, but they have at no time during the year taken the proportions of an epidemic.

During the month of March there were several cases of diphtheria in the island of Culebra and the disease threatened to take serious proportions, but prompt measures were taken and it was quickly eliminated with the loss of only one life.

Reports received from the health officers concerning contagious and infectious diseases are extremely deficient, as many of the health officers either furnish no data whatever for months at a time, or such data as is furnished is extremely defective. Repeated attempts have been made to correct this evil, but they have been so far useless.

A thorough revaccination has been carried out throughout the island and measures taken to prevent the outbreak of any epidemic of a serious nature, much attention being paid to water courses and steps to avoid their contamination taken.

VITAL STATISTICS.

Great difficulty has been experienced in collecting truthful official data on which to base our yearly statistical report, which, to say the least, is very defective. In such cases as it has been possible to discover errors in the vital statistical reports monthly submitted to this office by the various municipalities they have been corrected as far as it lay in our power to do so, but there are grounds to suspect the presence of many errors that it has been impossible for this office to detect. These errors are due to many causes, namely:

First. Many peasants in the country die without receiving medical attendance, and as the cause of their death is unknown it is set down under any heading. Many large municipalities have only one health officer, who can not properly attend to the many duties devolving upon him, and some of the most important are often left undone. Next, health officers in the country receive such small remuneration for their services and are so irregularly paid that they have to devote much of their time to other matters in order to make a living. In other towns there is often no health officer.

Secondly. It would appear that in some of the towns the civil registrar is not careful in making inscriptions and is careless in the keeping of his records, and consequently supplies very incorrect data. Two cases of palpable carelessness in this respect have recently been discovered, one from Mayaguez, which is an important town, and the other from Rincon. These municipalities were requested to send duplicates of their reports for the same month after having submitted the originals, and when they did so there were notable differences between the originals and duplicates. When attention was called to the fact, those municipalities were unable to correct the errors. This shows that either no books are kept, or, if any, that they are then kept with great laxity.

It seems to be an impossibility to impress upon the municipal authorities the importance of keeping proper and correct records, and it would appear that until the health officers are appointed, paid, and entirely controlled by this office and all matters pertaining to sanitary statistics in the various municipalities placed in the hands of this bureau, it will be impossible to rely on the data it receives.

Judging from the reports received from the several municipalities there has been a slight increase in the mortality of the island. During the year 1904–5 the death rate was 22.73 per 1,000, and during that of 1905–6 it has been 23.26, which is an increase of 0.53 per 1,000. This increase is so small that it does not indicate a perceptible change in the health of the island; nevertheless it is enough to make us doubly alert; it is the bugle call for proper sanitary legislation and the rigorous enforcement of same.

VETERINARY INSPECTION.

During the year our veterinary inspector has inspected 11,516 cattle and horses, 73 horses have been tested with mallein to ascertain the presence of glanders, 71 of which were ordered killed.

In the course of his work the inspector visited and inspected, from time to time, all the towns of the island, taking the necessary measures to stamp out

glanders and check the course and minimize the evil effects of other diseases among stock, as well as giving farmers and cattle breeders valuable instructions as to the best methods of rearing and caring for their stock. Our inspector, who is an excellent officer and thoroughly understands his business, has done much good work since his appointment, but it is a matter of utter impossibility for one veterinary inspector to attend to the work of the entire island, and his activity and energy are taxed to their utmost. I would consequently recommend that provision be made to appoint three additional veterinarians for the work of the island.

Much of our inspector's time has also been employed in inspecting and directing the correction of deficiencies in stables, meat stalls, and slaughterhouses.

PLUMBING WORK.

This bureau has experienced great difficulty this year in securing the services of a competent plumbing inspector, and we are now obliged to utilize what time the military plumber at Casa Blanca can spare from his regular duties to attend to our work. Up to recently the salary of the plumbing inspector was $1,200 per annum, and after the loss of the inspector who had served this office for five years at that salary it became quite a problem to properly fill the vacancy. We succeeded in obtaining the temporary services of a first-class man, who came down from the States in the hope that his salary would be raised to at least $1,500 per annum, but it was only raised to $1,300, so he resigned and returned north. Since his departure we have not as yet been able to properly fill the vacancy.

Due to these occurrences plumbing work has been much hampered and much has been left undone in that branch this year, but it is an extremely difficult thing to get a competent man for the position with the salary assigned for such services on our budget, and this causes me to repeat that in no other branch of the public service are salaries so mean and toward which so much stinginess is shown as this, notwithstanding the importance of our work.

CHEMICAL LABORATORY.

Good work has been realized by our laboratory this year. Not only has work been done for almost every branch of the insular and Federal governments, but micro-biological investigations, though to a small extent, were made either alone or in connection with chemical analysis. Bulletin No. 3 on "Rapid tests for food articles and for the detection of substances generally used to adulterate the same," edited by the director of the laboratory, was printed and issued to all the health officers of the island. Inspectors have been provided with suitable apparatus and instructed in the method of making systematic and scientific inspection of all matters pertaining to the laboratory, and are required to make weekly reports concerning this kind of work.

During the past year 598 samples of food were inspected, of which 222 were found to be of good quality, 49 inferior, 116 adulterated, 43 condemned, and 168 unclassified. Following is a classification of the 598 samples analyzed according to their quality and source:

Summary—Classification of the articles examined according to their quality.

Nature of the article.	Good.	Inferior.	Adulterated.	Condemned.	Unclassified.	Total.
Butter			3			3
Biscuits					5	5
Blood [a]					6	6
Clothes					9	9
Cheese [b]		1				1
Canned foods				2		2
Calculi					1	1
Chocolate					8	8
Flour	8					8
Feces					10	10
Fertilizers					2	2
Fish	1			1		2
Fowl for toxicological examination					4	4
Preserved fruits					1	1

[a] Three for Widal and three in the form of smears for microscopical examination.
[b] For ptomaines.

Summary—Classification of the articles examined according to their quality— Continued.

Nature of the article.	Good.	Inferior.	Adulterated.	Condemned.	Unclassified.	Total.
Lard	1		1		1	3
Milk	175	41	95		19	330
Preserved meats [a]	1	3		2		6
Condensed milk	4			1		5
Medicinal preparations	2				7	9
Perfumes					3	3
Patent medicines					1	1
Rice		1				1
Sputum					11	11
Soap	1					1
Urine [b]					58	58
Vinegar	1		7		8	16
Water [c]	27	1		37	4	69
Wine	1	2	10		10	23
Total	222	49	116	43	168	598

[a] Lead was detected in one sample.
[b] Four were tested for the diazo reaction.
[c] Eleven were examined bacteriologically.

Classification of the articles examined according to their source.

	Samples.
Board of health	416
Supervisor of health for the poor	72
Local board of health	42
Custom-house	34
Department of justice	13
Charity institutions	12
Insane asylum	3
Department of interior	2
Municipal hospital	2
Naval station hospital	1
Porto Rico experiment station	1
Total	598

The chemical laboratory is the best equipped, and most attended of any of the branches of health, and it responds gallantly to the care bestowed on it.

FOOD AND HEALTH INSPECTORS.

Our food and health inspectors have, as usual, rendered good service during the year, as will be appreciated from the following summary of their work:

Quarts of milk inspected during year until May 31	42,507
Samples of milk taken for analysis during year until May 31	158
Quarts of milk condemned as unwholesome and dumped	110
Nuisances removed	158
Fines imposed upon milk dealers for infringing the law	$410
Food stuffs condemned and destroyed as unfit for nourishment_pounds_	168,443
Canned food destroyed as unserviceable_____cans__	4,704
Fines imposed by the courts for the violation of the food laws	$55

Articles the sale of which was forbidden on account of incorrect labeling: Wine, 546 barrels; oil, 186 cases; beer, 55 barrels.

This was principally performed in San Juan and its suburbs. In the other towns of the island this work is intrusted to the health officers and their assistants.

MEDICAL INSPECTORS OF THE NORTH AND SOUTH.

These two officers have been kept extremely busy during the year rushing from town to town in order to stimulate the local health officers in their work,

aid them with suggestions, enforce the orders of this bureau when the municipalities become careless or refractory in the performance of their duties as far as sanitation are concerned. One of the great tasks of the medical inspectors has been to convince some of the municipalities of the imperative necessity of keeping the towns clean, of keeping the meat and milk stalls, slaughterhouses, and cemeteries in the proper conditions. They have also had to take energetic measures against certain factories situated on the banks of rivers to prevent them from contaminating the water of such streams by running off lees and dumping offal into them. They were likewise actively employed in superintending the revaccination carried on throughout the island, and the carrying out of measures indicated by this office necessary to check the spread of contagious and infectious diseases and also to minimize the probability of an epidemic in the island during the summer months, that being the period in which such diseases most frequently make their appearance in the Tropics. Another very important branch that comes under their supervision is to see that health officers in towns where there are tobacco factories inspect all the workmen connected with such factories, if in a healthy condition issue to them the necessary licenses permitting them to work, and if unhealthy not to issue them licenses, or withdraw license if such had previously been issued. Also to see that such factories provide their workmen with suitable appliances to insure the cleanliness of the work. This inspection is regularly performed by the health officers once a month. On the whole the two medical inspectors have done good work this year.

HOSPITALS.

By far the great majority of hospitals in the inland towns are in a most wretched condition. This is principally due to the fact that many of the municipalities where such a state of affairs exists are too poor to maintain such an establishment. A correct idea of the state of the hospitals of the island may be obtained from the report of Mr. H. F. Dottin, which is on file in the governor's office. In the month of May, 1903, Mr. Dottin, then of the bureau of charities, by order of the director of charities visited and made a thorough inspection of the greater number of hospitals in the island. His report on the subject was full and explicit, and in virtue of the distressing conditions of the hospitals reported Governor Hunt assigned $4,000 from the governor's special fund for their immediate relief. The money was placed at the disposal of the bureau of health and distributed among the hospitals under the direction of Dr. W. F. Smith, of health, and Mr. Dottin, of charities. The proportionate sum for the relief of each hospital was not delivered to the needy municipality, but all necessary supplies were purchased and the hospitals equipped and given a good start, which was expected to be kept up by an effort on the part of the municipalities, but such has not been the case, and the hospitals are now in as bad a condition as they were before they received aid.

Plans for the construction of a new municipal hospital in Santurce have recently been approved by this bureau. When completed, this institution will be one of the best of its kind in the island, for not only are the several departments and dependencies well arranged, but the establishment will be equipped in accordance with all the principles of modern science.

The construction of this institution is estimated to cost $85,000, the sum of $6,840 has been appropriated for its equipment, and there is an assignment of $3,993 for the salaries of the officers attached to the establishment.

Besides this institution there are in San Juan the Maternity, Presbyterian, and the "Concepción" hospitals, which are well attended, and, finally, the special hospital for the treatment of infectious and contagious diseases of women.

The San Antonio Hospital at Mayaguez is also a well equipped and properly managed institution and does credit to the municipality to which it belongs.

The Tricoche Hospital at Ponce is anything but what it should be, but the municipality has recently appropriated a sum for improvements to be introduced in the establishment.

There are besides this institution others of a private nature, such as the "Asilo de Damas," which is well attended, and the Episcopal Church is now erecting a hospital in connection with its mission.

FINAL.

It is just to say that in spite of the many trials and difficulties experienced by this bureau during the year much good work has been done and the employees connected with this office are worthy of praise for the faithful discharge of their duties.

Respectfully submitted.

R. M. HERNANDEZ, M. D.,
Supervisor of Health.

The DIRECTOR OF HEALTH, CHARITIES, AND CORRECTION,
San Juan, P. R.

REPORT OF THE SUPERVISOR OF CHARITIES.

OFFICE OF HEALTH, CHARITIES, AND CORRECTION,
SUPERVISOR OF CHARITIES, PORTO RICO,
San Juan, P. R., July 1, 1906.

SIR: I have the honor to submit, as follows, my annual report of operations during the fiscal year 1905–6 on the insular charitable institutions under my charge, viz: The insane asylum of Porto Rico, the insular blind asylum, the leper colony, and the boys' and girls' charity schools.

In the insane asylum very marked and extensive improvements have been made, and the institution is now sufficiently large to accommodate all the insane patients of Porto Rico. Unfortunately, however, the appropriation for the care of the indigent insane is too small to support all who apply for admission and there are usually a score of applicants on the waiting list. During the present fiscal year the pay patients' wards yielded a revenue of $3,500, showing that patients who are able to pay are availing themselves of the scientific treatment at the asylum. During the year ending June 30, 1906, the population figures of the establishment were as follows: Admitted, 402, of whom 236 were women and 166 were men; discharged, 79; died, 80.

The most notable accomplishment during the present fiscal year was the opening of the insular asylum for the blind, at Ponce, the formal dedication being by the Hon. Beekman Winthrop, governor of Porto Rico, on September 23, 1905. Details of the splendid work already done by this establishment, and proof of the wisdom of providing a hospital and home for the indigent blind of Porto Rico will be given in a more exhaustive report. In nine months the institution has received 173 patients. Of these 108 have been discharged, mostly as cured, and there are now in the asylum 64 patients under treatment. There has been but one death, that of an aged patient. The management has been economical, and when consideration is given to the fact that at the outset all the work of the asylum was of an experimental nature, results are most encouraging. I do not hesitate to predict that within a few years, if proper support is accorded to the blind asylum authorities, the fame of the institution will be more than local. The practical experience already gained is exceedingly valuable.

In the leper colony there are at present 25 patients, the highest number in the history of the colony. Two patients, one of whom had been under observation for two years, and another for seven months, were discharged last month, the demonstration of their freedom from leprosy being absolute. These patients were kept isolated during their stay on Cabras Island, and hence their discharge involved no menace to the community at large. The general condition of the patients is excellent except for their leprosy. During the year 5 patients have been admitted and 1 has died. The expenditure of at least $2,000 for a new burying ground, two new cottages for patients under observation, and for very necessary repairs to buildings is earnestly recommended. A humane, scientific work, which entitles the colony to rank with the best similar establishments elsewhere, is being carried on. Professional visitors are warm in their praises. Grateful acknowledgment is made of the free microscopic examinations by Dr. Charles Butler, of the United States Naval Hospital at San Juan, and of courtesies shown by other friends to the unfortunate inmates of the colony.

Conditions have not materially changed during the past fiscal year at the Boys' Charity School and Girls' Charity School, in Santurce. In both these institutions the number of inmates has increased, but there has been no corre-

sponding increase of appropriation. As a result, even the strictest economy is not likely to avert a deficit at the end of the new fiscal year, and industrial work must be curtailed instead of developed. This is to be regretted, as the most valuable education that can be given to the inmates of the charity schools is teaching them how to help themselves.

In the Girls' Charity School an effort is about to be made to cooperate with the insular commercial agency in New York by sending to that agency samples of lace work, drawn work, embroidery, baskets, hats, etc., manufactured by the girls of this school. The superintendent of the school recommends, and I heartily concur with her judgment, that a large class in domestic science should be established in the school. At the close of the present fiscal year there are 168 girls in the institution. During the year 46 were admitted, 38 were discharged, and 1 died.

The Boys' Charity School continues to be an institution which falls far short of possible accomplishment because of lack of funds. The industrial classes should be enlarged, and I recommend that the manual-training class be abolished and that in its place a class in elementary plumbing be established. I am convinced that more practical results will be obtained by such a change. Gardening and farming should also be taught. Opportunities for using the ample grounds connected with the establishment are being wasted because no money is appropriated for the purchase of tools or the maintaining of agricultural work.

The capacity of this institution is now taxed to its utmost. During the year just ended 76 boys were admitted, 71 were discharged, and 2 died. The number of boys in the school on June 30, 1906, was 264.

The kindly interest manifested by Mr. Arthur F. Estabrook, of Boston, Mass., in the children of Porto Rico was extended to the inmates of the insular charity schools. To the girls' school he donated, during the year, $100 in cash; to the band of the Boys' Charity School he gave $200 worth of new instruments, and the children of both schools were jointly entertained by him during his annual visit to Porto Rico.

At the last session of the legislative assembly you did me the honor of presenting, in the form of an executive council bill, my recommendation that the names "Boys' Charity School" and "Girls' Charity School" be changed respectively to "Boys' Industrial Home of Porto Rico" and "Girls' Industrial Home of Porto Rico." My desire, as explained to you, was to eliminate the word "Charity," sometimes, though never properly, deemed a stigma when applied to indigent children who are cared for and educated by public funds. The bill failed of passage in the house of delegates. I have the honor to recommend that a similar bill be introduced in the next legislative assembly.

Permit me, in conclusion, to thank you for your kindly and broad sympathy with the efforts of the bureau of charities during the past year, and to acknowledge also the support given by all the superintendents of the various institutions committed to my charge.

Very respectfully,

A. C. HAESELBARTH,
Supervisor of Charities.

HON. ANDRÉS CRÓSAS,
Director of Health, Charities, and Correction.

REPORT OF THE SUPERVISOR OF PRISONS.

OFFICE OF HEALTH, CHARITIES AND CORRECTION,
SUPERVISOR OF PRISONS, PORTO RICO,
San Juan, P. R., July 1, 1906.

SIR: I have the honor to present my annual report on the penal establishments of the island for the fiscal year 1905–6, together with statistical information on the administration of these establishments; the money spent therein during the said fiscal year; the admission and discharge of prisoners; the sickness of prisoners; their terms of sentence, and personal details relating to them; also a statement of the crimes for which they are serving sentences, and other information, all of which is set forth in Exhibits 1 to 10 inclusive, submitted herewith.

PENAL ESTABLISHMENTS.

The construction of the prison buildings is defective in many respects, except as regards the district jails of Ponce and Arecibo. Of these two, the latter is a new building, designed especially for use as a jail, and the former has been remodeled for the same purpose. The penitentiary, more than any other building, requires improvement. It has a single large hall (99 by 14 meters) wherein it is necessary to confine all the prisoners, whatever their offenses may have been. The only plan of division which can be effected is to distribute them into squads, according to the length of their sentences, and to assign each squad to a separate portion of the hall.

Since my report of July of last year there has been no change in the construction of the prisons, except that a district jail has been built at Arecibo, and an upper story has been added to the penitentiary. This upper story is now used, for the most part, as the hospital of the penitentiary and of the district jail of San Juan; it includes an operating room, dispensary, and two rooms, at present occupied by female prisoners and by prisoners of the San Juan jail awaiting trial.

The removal of the prisoners from the Mayaguez jail to that portion of the building known as the "Cuartel" which is hereafter to be used as a district jail, has been postponed until the repairs now being made in the "Cuartel" shall have been completed.

As regards the hygienic conditions, all possible measures have been adopted to equip the penal establishments in the proper manner, and it can be said that a high sanitary standard is maintained in all of them and that they are all kept thoroughly clean.

It has been necessary to vacate the building in the Puerta de Tierra, formerly used as the district jail of San Juan. The prisoners have been sent, temporarily, to Arecibo, and are kept in the new jail recently built for the use of that district.

This fact and the insufficiency of the penitentiary for the demands made upon it show that it is necessary to build a new penitentiary, constructed according to the modern system.

PRISONERS.

The prisoners confined in the penitentiary and the district jails are required to keep the buildings clean and freshly painted. Moreover, the inmates of the penitentiary are employed in tailoring, shoemaking, carpenter work, and basket weaving. They make clothing for all the prisoners in the insular jails and shoes for themselves, together with a great number of articles of furniture for the offices of the insular government. The carpenter work is all that can be desired. As a proof of the perfection of skill displayed in this work, attention may be invited to the silver medal granted at the recent exposition in St. Louis, Mo., for the furniture exhibited there.

In addition to the work done within prison walls, the prisoners help in cleaning the streets of the various municipalities in which the prisons are situated, and work on the insular roads. During the fiscal year 1905 and 1906 they have done a large amount of work on the roads, more particularly during the last months of the year. The number of prisoners kept at work on the roads is about as follows:

From the penitentiary	100	From the Guayama jail	25
From the San Juan jail	95	From the Arecibo jail	23
From the Ponce jail	81	From the Aguadilla jail	20
From the Mayaguez jail	40		
From the Humacao jail	25		409

The number of prisoners on June 30, 1906, was less by 201 than the number on June 30, 1905. The admisions and discharges at the penitentiary and at the San Juan jail were more numerous during the past fiscal year than during the year 1904–5. On the other hand, additions and discharges at the jails of Ponce and Mayaguez were less than half of those of the previous year. Moreover, in the jails of Humacao, Guayama, Aguadilla, and Arecibo fewer prisoners have been received and discharged during the past fiscal year than during the year immediately preceding, as is shown by Exhibit No. 2.

The percentage of sickness among the inmates of the insular prisons during the past year has been as follows:

	Per cent.		Per cent.
Penitentiary	12	Humacao jail	13
San Juan jail	5	Guayama jail	3
Ponce jail	6	Aguadilla jail	4
Mayaguez jail	10	Arecibo jail	7

The percentage of deaths in the cases of sickness has been as follows:

	Per cent.		Per cent.
Penitentiary	3	Humacao jail	2
San Juan jail	7	Guayama jail	6
Ponce jail	3	Aguadilla jail	2
Mayaguez jail	1	Arecibo jail	0

The report of the warden of the penitentiary is submitted herewith.

Very respectfully,

M. CAMUÑAS,
Supervisor of Prisons.

The DIRECTOR OF HEALTH, CHARITIES, AND CORRECTION,
San Juan, P. R.

EXHIBIT NO. 1.—*Cost of maintenance of the penal institutions of Porto Rico, for the fiscal year 1905–6.*

	Penitentiary.	San Juan Jail.	Ponce Jail.	Mayaguez Jail.	Humacao Jail.
Food	$22,529.47	$16,293.46	$10,377.74	$4,811.87	$6,409.23
Medicines and surgical supplies	999.46	486.37	148.92	202.67	269.98
Lighting	.....	818.75	195.96	238.94	80.47
Rent of buildings	.....	3,000.00	.....	720.00	720.00
Clothing	5,597.54	.....	.....	.....	.....
Savings fund for prisoners discharged from the penitentiary	2,497.04	.....	.....	.....	.....
Material for manufacturing articles for sale	1,460.83	.....	.....	.....	.....
Tools, supplies, etc	295.57	.....	.....	.....	.....
Incidental expenses	5,101.19	2,195.85	448.12	399.90	291.81
Salaries	15,507.00	7,770.34	5,394.00	5,198.00	4,380.00
Total	53,988.10	30,564.77	16,564.74	11,571.38	12,151.49

	Guayama Jail.	Aguadilla Jail.	Arecibo Jail.	Total.
Food	$4,946.93	$3,248.25	$2,300.31	$70,917.26
Medicines and surgical supplies	174.06	114.82	119.92	2,516.20
Lighting	43.88	43.66	30.80	1,452.46
Rent of buildings	720.00	720.00	336.00	6,216.00
Clothing	.....	.....	.....	5,597.54
Savings fund for prisoners discharged from the penitentiary	.....	.....	.....	2,497.04
Material for manufacturing articles for sale	.....	.....	.....	1,460.83
Tools, supplies, etc	.....	.....	.....	295.57
Incidental expenses	75.30	265.18	142.91	8,920.26
Salaries	2,460.00	2,425.33	2,058.00	45,192.67
Total	8,420.17	6,817.24	4,987.94	145,065.83

EXHIBIT No. 2.—*Number of prisoners and sick and the daily cost of food per capita in the penal institutions of Porto Rico, number of prisoners in custody on Jun 30, 1905, and number of prisoners received and discharged during the fiscal year ending June 30, 1906.*

	Penitentiary.	San Juan Jail.	Ponce Jail.	Mayaguez Jail.	Humacao Jail.	Guayama Jail.	Aguadilla Jail.	Arecibo Jail.	Total.
In custody June 30, 1905	633	462	291	131	176	111	101	28	1,933
Received	420	1,590	584	323	596	547	421	432	4,913
Total	1,053	2,052	875	454	772	658	522	460	6,846
Discharged	420	1,746	612	359	632	532	452	361	5,114
In custody June 30, 1906	633	306	263	95	140	126	70	99	1,732
Daily average	591	455	290	105	158	118	77	52	1,846
Sick June 30, 1905	65	21	18	13	14	5	5	3	144
Cases of illness	395	480	171	155	162	260	91	111	1,825
Total	460	501	189	168	176	265	96	114	1,969
Cases cured	370	465	159	159	148	259	95	110	1,765
Deaths	24	21	7	2	4	3	1	.....	62
Sick June 30, 1906	66	15	23	7	24	3	.....	4	142
Daily average	76	24	18	11	20	3	3	3	158
Average cost of food per diem per capita:									
Regular rations	$0.0988	$0.0953	$0.0945	$0.1069	$0.1050	$0.1150	$0.1150	$0.1200	.....
Sick rations	.1628	.1377	.1225	.1195	.1400	.1150	.1150	.1200	.....

EXHIBIT No. 3.—*Number of prisoners in custody at the end of each month.*

Date.	Penitentiary.	San Juan Jail.	Ponce Jail.	Mayaguez Jail.	Humacao Jail.	Guayama Jail.	Aguadilla Jail.	Arecibo Jail.	Total.
1905.									
June 30	633	462	291	131	176	111	101	28	1,933
July 31	628	473	298	146	180	105	95	35	1,960
August 31	623	514	296	159	160	109	84	25	1,970
September 30	632	490	338	157	169	127	67	26	2,006
October 31	629	476	335	146	172	112	66	36	1,972
November 30	582	503	311	116	175	107	51	32	1,877
December 31	588	468	286	107	135	103	73	38	1,798
1906.									
January 31	587	458	282	97	170	119	80	44	1,837
February 28	580	418	249	98	154	124	73	54	1,750
March 31	555	439	255	104	129	126	84	49	1,741
April 30	537	444	285	112	151	132	92	62	1,815
May 31	539	296	284	114	148	128	86	108	1,703
June 30	633	306	263	95	140	126	70	99	1,732

EXHIBIT No. 4.—*Number of sick at the end of each month.*

Date.	Penitentiary.	San Juan Jail.	Ponce Jail.	Mayaguez Jail.	Humacao Jail.	Guayama Jail.	Aguadilla Jail.	Arecibo Jail.	Total.
1905.									
June 30	65	21	18	13	14	5	5	3	144
July 31	61	17	17	17	22	7	7	5	153
August 31	68	20	28	19	24	7	4	4	174
September 30	68	26	27	16	20	9	5	.....	171
October 31	81	24	14	15	19	3	5	3	164
November 30	68	30	11	10	26	.....	4	3	152
December 31	86	24	15	16	28	4	5	2	180
1906.									
January 31	77	23	16	10	28	2	4	2	165
February 28	94	24	12	9	28	1	4	5	177
March 31	76	32	16	11	6	2	1	3	147
April 30	92	26	20	6	6	1	.....	4	155
May 31	69	15	20	11	21	2	.....	4	142
June 30	66	15	23	7	24	3	.....	4	142
Percentage of sick	12	5	6	10	13	3	4	7	.....

EXHIBIT No. 5.—*Deaths.*

Date.	Penitentiary.	San Juan Jail.	Ponce Jail.	Mayaguez Jail.	Humacao Jail.	Guayama Jail.	Aguadilla Jail.	Arecibo Jail.	Total.
1905.									
July		1				1			2
August	2	3	1	1	1		1		9
September									
October		2	1		1	1			5
November		3			1				4
December	3	4	1		1				9
1906.									
January	3	2				1			6
February	2	1	3						6
March	5								5
April	4	3							7
May	2	2	1	1					6
June	3								3
Total	24	21	7	2	4	3	1		62
Percentage of deaths to total number in confinement during year	2.27	1.02	0.80	0.44	0.51	0.45	0.19		

EXHIBIT No. 6.—*Causes of death.*

Cause of death.	Penitentiary.	San Juan Jail.	Ponce Jail.	Mayaguez Jail.	Humacao Jail.	Guayama Jail.	Aguadilla Jail.	Arecibo Jail	Total.
Pulmonary tuberculosis	13	1	1	1	1	2	1		20
Intestinal tuberculosis	5								5
Gastro-enteritis	1		1						2
Cerebral congestion	1								1
Pericarditis of rheumatic origin	1								1
Cardiac diseases	2	5	1						8
Chronic alcoholism		1							1
Anemia uncinariasis		3							3
Acute myelitis		2							2
Acute hepatitis		3			1				4
Pernicious fever		1							1
Cerebral edema		1							1
Acute pneumonia		1							1
Acute enterocolitis			3		2				5
Uremia			1						1
Urethral blennorrhagia				1					1
Cerebral hemorrhage						1			1
Kidney diseases	1	3							4
Total	24	21	7	2	4	3	1		62

EXHIBIT No. 7.—*Terms of sentence of prisoners in confinement June 30, 1906.*

	Penitentiary.	San Juan Jail.	Ponce Jail.	Mayaguez Jail.	Humacao Jail.	Guayama Jail.	Aguadilla Jail.	Arecibo Jail.	Total.
Awaiting trial		26	53	9	16	8	5	22	139
Sentenced	633	280	210	86	124	118	65	77	1,593
Total	633	306	263	95	140	126	70	99	1,732
6 months or less		176	86	50	64	40	45	40	501
Over 6 months and less than 1 year		17	29	9	13	5	1	24	98
1 year and less than 2	40	68	76	20	21	29	10	10	274
2 years and less than 3	66	17	11	4	9	23	3	1	134
3 years and less than 4	62	1	2	1	4	4	1	1	76
4 years and less than 5	20		3	1	3	4	2		33
5 years and less than 6	81	1	1	1	3	5	1	1	94
6 years and less than 8	64		2		2	4			72
8 years and less than 10	35					2	1		38
10 years and less than 15	141				2	1	1		145
15 years and less than 20	36								36
20 years and less than 30	32								32
30 years and over	14				1				15
Life	33				2	1			36
Condemned to death	9								9
Total	633	280	210	86	124	118	65	77	1,593

EXHIBIT No. 8.—*Classification of prisoners in confinement June 30, 1906.*

	Penitentiary.	San Juan Jail.	Ponce Jail.	Mayaguez Jail.	Humacao Jail.	Guayama Jail.	Aguadilla Jail.	Arecibo Jail.	Total.
Sex:									
Male	633	293	239	91	136	117	70	95	1,674
Female	.....	13	24	4	4	9	.....	4	58
Total	633	306	263	95	140	126	70	99	1,732
Conjugal relations:									
Single	477	280	215	76	113	94	53	68	1,376
Married	152	24	47	18	25	32	17	29	344
Widowed	4	2	1	1	2	.....	.....	2	12
Total	633	306	263	95	140	126	70	99	1,732
Color:									
White	429	196	88	50	51	61	48	37	960
Mixed	122	80	146	36	64	50	19	54	571
Negro	82	30	29	9	25	15	3	8	201
Total	633	306	263	95	140	126	70	99	1,732
Age:									
Over 18 years of age	613	289	232	81	126	116	59	90	1,606
Under 18 years of age	20	17	31	14	14	10	11	9	126
Total	633	306	263	95	140	126	70	99	1,732
Education:									
Know how to read	6	4	1	.....	.....	.....	.....	4	15
Know how to read and write	183	119	63	22	40	36	16	24	503
Do not know how to read and write	444	183	199	73	100	90	54	71	1,214
Total	633	306	263	95	140	126	70	99	1,732
Occupation:									
Soldiers	1	.....	.....	.....	.....	.....	.....	.....	1
Laborers	431	236	131	60	87	81	39	63	1,128
Artisans	103	28	60	23	35	19	11	19	298
Tradesmen	42	12	16	7	4	9	3	3	96
Merchants	7	3	3	.....	4	1	1	.....	19
Agriculturists	33	6	5	5	2	1	4	3	59
Property owners	3	2	.....	.....	1	3	.....	.....	9
Clerks in general	11	3	8	.....	.....	3	1	4	30
Employed in the discharge of domestic duties	2	16	40	.....	6	9	11	7	91
Artists	.....	.....	.....	.....	1	.....	.....	.....	1
Total	633	306	263	95	140	126	70	99	1,732
Nationality:									
Natives of United States of America	.....	3	.....	1	.....	1	.....	1	6
Natives of Porto Rico	626	297	259	94	140	124	70	98	1,708
Spaniards	5	3	1	.....	.....	.....	.....	.....	9
Englishmen	.....	1	2	.....	.....	1	.....	.....	4
Frenchmen	1	.....	.....	.....	.....	.....	.....	.....	1
Cubans	1	.....	.....	.....	.....	.....	.....	.....	1
Natives of South America	.....	.....	1	.....	.....	.....	.....	.....	1
Dominicans	.....	2	.....	.....	.....	.....	.....	.....	2
Total	633	306	263	95	140	126	70	99	1,732

EXHIBIT No. 9.—*Age of prisoners in confinement June 30, 1906.*

	Penitentiary.	San Juan Jail.	Ponce Jail.	Mayaguez Jail.	Humacao Jail.	Guayama Jail.	Aguadilla Jail.	Arecibo Jail.	Total.
15 years and under	2	23	18	7	1	3	9	7	70
From 16 to 21 years	105	87	62	28	29	34	22	17	384
From 22 to 25 years	139	80	57	26	33	36	15	18	404
From 26 to 30 years	157	57	52	12	30	29	8	17	362
From 31 to 35 years	91	26	21	5	26	7	10	11	197
From 36 to 40 years	63	19	30	6	7	7	4	14	150
From 41 to 45 years	32	2	10	2	4	4	1	6	61
From 46 to 50 years	22	3	8	5	6	2	.....	4	50
From 51 to 55 years	5	2	3	.....	3	2	1	5	21
From 56 to 60 years	9	3	2	3	.....	1	.....	.....	18
From 61 to 65 years	5	3	.....	1	1	.....	.....	.....	10
From 66 to 70 years	2	.....	.....	.....	.....	1	.....	.....	3
Over 70 years	1	1	.....	.....	.....	.....	.....	.....	2
Total	633	306	263	95	140	126	70	99	1,732

EXHIBIT No. 10.—*Offenses of prisoners in confinement June 30, 1906.*

Murder, manslaughter, and attempts at same	272
Adultery, bigamy, rape, and crimes against morals, with or without violence, and attempts at same	136
Mayhem, assault and battery, assault, etc	275
Burglary, robbery, larceny, and attempts at same	728
Breach of the peace, abusive language, malicious mischief	95
Arson	8
Malversation of public funds	2
Counterfeiting	2
Embezzlement, forgery, false personation, fraud	101
Crimes against public justice, extortion, perjury	30
Violation of the election law	28
Violation of the internal-revenue law	11
Other offenses	44
Total	1,732

Exhibit H.

REPORT OF THE INSULAR POLICE.

Headquarters Insular Police, Porto Rico,
San Juan, P. R., July 1, 1906.

Sir: I have the honor to transmit herewith a report of the insular police for the year from July 1, 1905, to June 30, 1906,

The insular police department has undergone no change, except as to the office of the paymaster, which was abolished and merged into the department, consolidating the paymasters of all the insular departments. The office of captain and paymaster ceased to exist as a consequent of the abolition of the disbursing office.

The force was increased numerically on different occasions during the year, the 550 being augmented by 100 men. This does not include 1 chief, 1 assistant chief, 6 captains, 7 first lieutenants, 8 second lieutenants, and 95 noncommissioned officers. The number of posts, subposts, and detachments was unaltered. The organization in its entirety, with the exception of the chief and the assistant chief, is composed of natives.

The continued efforts to increase the potentiality of the organization has met with partial success, financial conditions precluding the possibility of securing the increase and advantages authorized by the legislature at its last regular session. The measure as passed called for the increasing of the force by 200, making a total of 850 men; the adding of another police district with the necessary number of commissioned and noncommissioned officers, and an increase in the salaries of officers and men, as well as additional pay for reenlistment. Upon attempting to put this law into operation, it was learned that from a financial standpoint the law could not be put into effect. Advantage, however, was taken of the legislature sitting in extraordinary session to prevent the conflict which had arisen, and while this report was in preparation the lawmakers, after making several amendments in the provisions calling for an increase in men and salaries, repassed the bill.

The law as signed by the governor provides for the division of the island into 7 police districts instead of 6, increasing the number of officers to 7 captains, 8 first lieutenants, and 8 second lieutenants, but the number of sergeants, 20, and corporals, 75, remains unchanged.

The annual salaries of all officers and men were increased.

The guardsmen or policemen will also receive $2 for each reenlistment of two years.

The police force will be composed of 700 guardsmen, but authority is conferred upon the governor to increase this number when the emergency justifies such augmentation.

A strike which reached the most alarming proportions known in this island occurred in the early part of the fiscal year. I was on a leave of absence at the time and the assistant chief had full command. The strike was begun by the longshoremen, who demanded of the New York and Porto Rico Steamship Company 25 cents an hour instead of the 15 cents which they were receiving. The company refused to accede to the demands. A detachment of police were installed on the pier to protect the company's rights.

The truckmen subsequently joined the strikers, but they had no particular grievance except that of sympathy.

The steamship people were not entriely paralized, as they brought outside laborers, who worked under the immediate protection of the police. The want of transportation facilities forced the merchants to organize a truck company to carry merchandise from the wharves to their places of business. This had its moral effect, and the truckmen went back to work. The other strikers could not withstand the hardships resulting from the want of money to buy the necessities of life and manifested a desire to return to work at the customary wage. But just then the labor agitators stepped in and aroused the strikers to a pitch of indignation and defiance, which culminated in violence.

The strike had lasted over a month and on July 31 the conditions assumed a serious aspect. The truckmen had again gone on a strike. On the afternoon of that day they attempted to interfere with a private truckman. The police were called. The strikers held their ground in defiance of the police. A clash occurred and several were hurt, but they finally dispersed, a number of arrests being made. August 1 saw the climax of the situation. The mob became turbulent and ungovernable. Throughout the day there were encounters between the lawless crowd and the police. The police used force but the gangs retaliated in the same measure. They used stones, bottles, revolvers, and refuse as weapons against the police. When night fell upon the city it was found that all electric lights had been destroyed and absolute darkness enveloped all. The unruly element intrenched themselves upon the housetops, from where they kept up a continual attack on the police. It was useless to dislodge them. The police were withdrawn, and, as all the fury was against the police only, they became pacified by their retirement. Early next morning the police were stationed on the roofs to prevent a repetition of the scenes of the night before. This move brought matters to a standstill, and several days after the strikers abandoned their cause. The strike cost the loss of one life and a number of wounded.

Sugar plantation laborers went again on a strike this year, only that it was confined to the Arecibo district. The strike lasted about two months, but the strikers were finally compelled to cede without having gained one point. Higher wages and less hours was the slogan. At the beginning their methods were pacific, but when the sugar planters comprehended the situation which confronted them and began to bring in raw hands who had never earned such a high salary, and who in a short time worked as well as the old hands, they changed their tactics. Several attacks were made upon these men, and attempts were made to disable the machinery and set fire to cane fields on several plantations. The police were ever on the alert and frustrated many attempts to ruin property and attack the workmen by putting the guilty parties promptly in jail. Everywhere police

officers were put in command as an evidence of the determination to prevent violence by the strikers. The strikers were able to make a long stand, because of a fund which had been sent them from the United States, but when this became exhausted and hopes of replenishment were in vain, linked with the more serious problem that any number of men were available to displace them, the strikers realized that further struggle was useless and the strike was called off.

If the number of arrests is any criterion on the moral conditions or betterment of a community, then such a state has been reached in the island. The total number of arrests for last year, 1904–5, was 61,867, while this year, 1905–6, we have only 56,561, or 5,306 arrests less than the year previous.

The arrests were for the following crimes:

Murder	34	Smuggling and fraud of government funds	160
Perjury	10	Resisting the police	251
Attempted murder	16	Assault	3,423
Attempted suicide	8	Gambling	4,429
Robbery	62	Drunkenness	373
Rape	106	Disorderly conduct	8,358
Abduction	85	Fighting	3,002
Seduction	377	Cruelty to animals	6,577
Bigamy	4	Carrying arms without license	3,139
Crime against nature	1	Firing arms	52
Arson	9	Vagrancy	2
Burglary	125	Prostitution	81
Falsification of documents	19	Violation of municipal ordinances	8,351
Grand larceny	140	Violation of sanitary laws	8,011
Petty larceny	1,928	Fugitives	89
Stealing cattle	49	Other offenses	6,584
Receiving stolen property	23		
Extortion	13		
Abuse of confidence	556		
Requisitory	121	Total	56,561

The insular police commission, composed of Dr. Ricardo Hernandez, Mr. James H. Harrison, and Dr. Manuel Quevedo Baez, is a very potent factor in the workings of the police. These gentlemen have been so assiduous and sincere in all matters coming before them that they have enhanced their record and reconfirmed the confidence which they have always inspired. Their cooperation with the chiefs have been productive of much good. I am constrained to give expression to my feelings of gratitude for the services rendered to the insular police.

The entire organization has worked efficiently, zealously, and faithfully as heretofore, and I feel that thanks are due to the officers and men for the manner in which they worked to maintain the reputation achieved by this department.

Very repectfully,

T. HAMILL,
Chief of the Insular Police.

Hon. BEEKMAN WINTHROP,
Governor of Porto Rico, San Juan, P. R.

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